June 5, 2026

The Honorable Debbie-Anne A. Reese
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: California Independent System Operator Corporation
Docket No. ER26-___-000

Interconnection Process Enhancements
Tariff Amendment

Dear Secretary Reese:

The California Independent System Operator Corporation (CAISO) submits these tariff amendments to enhance its interconnection procedures.[1] After the substantial reforms from Order No. 2023 and Interconnection Process Enhancements (IPE) 2023, these tariff amendments principally aim to adapt or enhance existing policies. The amendments will help serve first-ready projects consistent with Order Nos. 2003, 845, and 2023. They are the result of the most recent iteration of the CAISO's Interconnection Process Enhancement initiative, "IPE 5".[2] The CAISO requests that the Commission accept these tariff revisions effective August 5, 2026 (*i.e.*, 61 days after the date of this filing).

The CAISO's proposed enhancements consist of seven independent, severable sets of tariff revisions:

1. Eliminating the requirement that projects meet corporate sustainability policies to achieve commercial interest points from a non-load-serving entity;

[1] The CAISO submits this filing pursuant to section 205 of the Federal Power Act (FPA), 16 U.S.C. § 824d, and Part 35 of the Commission's regulations, 18 C.F.R. Part 35. Capitalized terms not otherwise defined herein have the meanings set forth in appendix A to the CAISO tariff, and references to specific tariff sections and appendices are references to sections and appendices in the existing CAISO tariff unless otherwise specified.

[2] https://stakeholdercenter.caiso.com/StakeholderInitiatives/Interconnection-process-enhancements-5-0.

2. Adjusting the project size cap on the "full allocation" election for load-serving entities (LSE) to award points to favored projects;

3. Incorporating distribution system interconnection projects into the intake scoring process when they seek deliverability;

4. Applying the CAISO's commercial viability criteria to all projects requesting to remain in queue beyond seven years;

5. Adjusting the initial commercial readiness deposit due date;

6. Clarifying participation on the CAISO's executive dispute committee; and

7. Removing the interconnection pre-application process.

Stakeholders generally supported the CAISO's proposals. The CAISO notes that each set of revisions is separate and not dependent on the other, from both a substantive and an implementation perspective. The CAISO has filed them together because they were part of the same stakeholder process, because they represent enhancements to the generator interconnection process, and because a single filing promotes administrative efficiency. The CAISO discusses each enhancement below.

In addition to the seven policy changes, the CAISO also proposes numerous clean-up tariff changes.[3] In 2024 the CAISO submitted over one thousand pages of tariff revisions to comply with Order No. 2023 and implement the CAISO's landmark interconnection screening procedures. To implement everything effective for cluster 15, the CAISO submitted these tariff revisions as pancaked filings, dependent on the ultimate approval of the CAISO's Order No. 2023 compliance filing. This process led to some typographical errors, improper carryovers from older tariff appendices, and other minor errors.[4] The CAISO takes this opportunity to correct them, as described in Attachment E. These tariff revisions do not change established practices or materially affect the rights and obligations of the CAISO or its customers. Instead, they seek to correct errors,

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[3] These are described in the clarifications table, Attachment E. Each row in that table is a severable tariff revision.

[4] The current structure and language of Article 11.4.1.1 of Appendix LL, the GIA for clusters 15 and forward, is especially problematic, as it refers to "Option (A) and Option (B)" provisions, which were replaced by the deliverable and merchant options in IPE 2023, and off-peak network upgrades, which were removed in the Order No. 2023 compliance proceeding. Although there are no substantive changes to the rights and obligations of customers, the CAISO has proposed several deletions and moving some provisions, all to clarify the actual applicable rights and obligations for a customer executing this GIA.

clarify the description of existing practices, and resolve ambiguities. The Commission has accepted similar filings in prior years.[5]

Additionally, in 2024 the Commission approved several interconnection enhancements for clusters 14 and earlier.[6] The CAISO did not propose adding those tariff revisions to the new tariff appendices compliant with Order No. 2023 because the revisions would not impact cluster 15 for years as they pertain to post-study processes, and the CAISO wanted to ensure its Order No. 2023 compliance filing was approved and effective before layering additional enhancements upon it.[7] The CAISO now proposes to add those enhancements to its tariff so they will apply to clusters 15 and beyond.[8] The CAISO has included the tariff revisions as previously approved.[9] The CAISO's experience with these enhancements has only reinforced that they are critical to maintaining reliability, helping first-ready projects, and avoiding delays in queue. The CAISO has included the original transmittal letter for these tariff revisions as Attachment F to this filing. The CAISO also has identified them in Attachment E among the clean-up tariff revisions. These tariff revisions continue to meet the independent entity standard because, as described in the original transmittal letter, they are consistent with the intent of Order No. 2023 policies and largely address CAISO-specific regional issues.[10]

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5 *See e.g., California Independent System Operator Corp*., Letter Order, Docket No. ER24-2687-000 (Dec. 4, 2024).; *California Independent System Operator Corp*., Letter Order, Docket No. ER23-2557-000 (Oct. 24, 2023).

6 *I.e.*, interconnection customers subject to the GIDAP. *California Independent System Operator Corp.*, 189 FERC ¶ 61,195 (2024).

7 *California Independent System Operator Corp*, 189 FERC ¶ 61,195 at P 3 (2024) (describing the CAISO's proposal to await its Order No. 2023 compliance order before adding the proposed tariff revisions).

8 The CAISO has not included the tariff revisions from proposal four— Limitations on Deliverability Transfers—at this time. The CAISO's next IPE filing will include holistic tariff revisions on deliverability and will address that proposal at that time.

9 As described in Attachment E, the shared network upgrades tariff revision has the Order No. 2023 term "provision of security" replacing the GIDAP term "Interconnection Financial Security."

10 As described in the 2024 transmittal letter, the technical requirements for large and small asynchronous resources result from the CAISO's work with NERC, WECC, and developers to address the potential reliability issues in the West resulting from the singular proliferation of such resources. The CAISO's tariff revisions are thus more granular than the *pro forma* GIA and GIP but have not proven onerous to generating facilities. Likewise, the CAISO's variations on the timing and amount of deposits, including for shared network upgrades, are all based on CAISO experience and necessary to address specific issues in the West and in the CAISO queue. The data and facts provided previously are still true and will continue to help first-ready projects. All of the proposed requirements are consistent with Order No. 2023, and tailored to the CAISO's regional needs in maintaining a functional, expeditious interconnection queue. Unifying these

Although the CAISO believes all of the tariff revisions in this filing do not substantially affect Order Nos. 2003, 792, 845, or 2023 policies,[11] the CAISO's proposed tariff revisions meet both the just and reasonable standard and the independent entity standard.[12] The tariff revisions address issues unique to the CAISO, and were generally designed to work without significant conflict with the CAISO's tariff provisions modeled on Commission *pro forma* Large Generator Interconnection Procedure and Generator Interconnection Agreement provisions. The proposed revisions build upon the CAISO's interconnection procedures, with independent entity variations previously accepted by the Commission.

A. The CAISO's Interconnection Reforms and IPE 5

For more than 17 years, the CAISO has continually reviewed and enhanced its generator interconnection procedures in a number of Commission proceedings to keep pace with federal, state, and local public policies and the associated evolution in generation development.[13] In 2024 the CAISO became the first ISO/RTO to establish an interconnection request intake scoring process.[14] That process helped the CAISO focus its cluster 15 interconnection study on first-ready projects, bringing request volumes back to manageable levels. Other ISO/RTOs have since adopted similar processes.[15] The IPE 2023

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requirements also will ensure that clusters 15 and forward compete on a level playing field with clusters 14 and previous.

11 *Improvements to Generator Interconnection Procs. & Agreements*, Order No. 2023, 184 FERC ¶ 61,054, at P 3 (2023) (Order No. 2023), *order on reh'g & clarification*, Order No. 2023-A, 186 FERC ¶ 61,199 (2024) (Order No. 2023-A). Order Nos. 2023 and 2023-A are sometimes referred to collectively in this Answer as "Order No. 2023," but not where distinguishing between those two Commission issuances is necessary.

12 In its generator interconnection rules, the Commission has consistently permitted Independent System Operators and Regional Transmission Organizations to adopt variations from the Commission's *pro forma* approach under an "independent entity variation" standard. *See, e.g.*, Order No. 2023 at P 1764.

13 *See, e.g.*, *California Independent System Operator Corp.*, 154 FERC ¶ 61,169, at P 2 (2016) (describing CAISO generator interconnection enhancement initiatives since 2008); *California Independent System Operator Corp.*, 180 FERC ¶ 61,143, at P 2 (2021) (describing additional generator interconnection enhancement initiatives); *California Independent System Operator Corp.*, 182 FERC ¶ 61,196, at P 16 (2023) (accepting CAISO tariff revisions to enhance generator interconnection process).

14 *California Independent System Operator Corp.,* 188 FERC ¶ 61,225 (2024).

15 *See, e.g., PJM Interconnection LLC*, 190 FERC ¶ 61,084 (2025); *Southwest Power Pool Inc.*, 192 FERC ¶ 61,062 (2025); *Midcontinent Independent System Operator, Inc.*, 190 FERC ¶ 61,057 (2025).

stakeholder initiative also led to numerous other enhancements approved by the Commission.[16]

The IPE 5 initiative is part of the larger set of foundational framework improvements being coordinated among the CPUC, the CEC, and the CAISO to help meet California's energy policy objectives in a timely and efficient manner. The overall strategic direction of these efforts is set forth in a Memorandum of Understanding. The CAISO also has engaged in numerous discussions with other local regulatory authorities, utilities, and LSEs that are not CPUC-jurisdictional to ensure the CAISO's planning reflects their needs. The IPE 5 initiative leverages the improved coordinated planning resulting from the Memorandum of Understanding and those discussions.

The stakeholder process for IPE 5 lasted from until July 2025 to April 2026.[17] The CAISO held six stakeholder meetings, and provided stakeholders six opportunities to submit written comments on the scope of the initiative, each policy paper, and draft tariff revisions. The CAISO Governing Board authorized the CAISO to submit this tariff amendment at its meeting held on April 30, 2026.[18] Stakeholders generally supported the policies reflected in these tariff revisions.

B. Proposed Tariff Revisions

1. Removing corporate sustainability requirement

In the intake screening process, load-serving entities (LSE) and other power purchasers can award points to potential interconnection customers to show interest.[19] The more points an interconnection customer has, the more likely it is to pass the CAISO screens and proceed to the cluster study. When a non-LSE awards points to a project,[20] it must execute an affidavit attesting:

a) the counterparty is supporting the Interconnection Request in support of corporate policy goals on sustainability;

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16 *California Independent System Operator Corp.*, 189 FERC ¶ 61,195 (2024); *California Independent System Operator Corp.*, 191 FERC ¶ 61,218 (2025).

17 https://stakeholdercenter.caiso.com/StakeholderInitiatives/Interconnection-process-enhancements-5-0.

18 *See* https://www.caiso.com/about/governance-committees. The IPE 5 stakeholder process contained other proposals not included in the instant filing. These are mostly related to deliverability allocation and retention. The CAISO intends to submit these proposals for Commission review later this year.

19 *See generally* Section 4 of Appendix KK to the CAISO tariff.

20 Unlike load-serving entities, non-load-serving entities always award a set number of points—25—to a single interconnection customer.

b) the capacity of the Interconnection Request aligns with its individual needs; the counterparty and its holding company, if any, is not affiliated with the Interconnection Customer or its holding company; and
c) that the counterparty and its holding company and affiliates support this Interconnection Request only, and no other Interconnection Requests in this Cluster Application Window.[21]

This process worked well for cluster 15; however, many corporate entities questioned the meaning and intent of the first part of the affidavit, namely, that the interconnection request supports "corporate goals on sustainability." The CAISO understands this concern and appreciates that potential offtakers take the commitments in the affidavit seriously. The CAISO and stakeholders believe it is unnecessary and may result in false negatives. The CAISO proposes to remove the requirement that the non-LSE affidavits attest that the counterparty is supporting the interconnection request in support of corporate policy goal on sustainability.[22] Corporate entities interested in procuring capacity may have a variety of needs that can be served by a prospective interconnection customer, including serving their own load. The CAISO will still apply the other requirements and scrutinize every arrangement to ensure the company is legitimate, procuring the capacity in a meaningful way, and not affiliated with the interconnection customer or its holding company.[23]

2. Adjusting the "full allocation" cap for load-serving entities

In the intake scoring process, each CAISO LSE has an allocation of points based on the sum of the deliverability currently available in each transmission zone divided by the LSE's system load ratio share.[24] LSEs can award any number of their points to one or more interconnection requests to show interest and help those requests proceed to the cluster study. LSEs also have a "full allocation" option: If an LSE lacks sufficient points to match the capacity of one project, or otherwise elects, it may indicate a full allocation to a project in lieu of allocating any of its points in that cluster application window. An LSE exercising this option can select one interconnection request only per the cluster application window, and the interconnection customer's interconnection service capacity may not exceed 150 percent of that LSE's points allocation.[25] The purpose of

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21 Section 4.1.1(1) of Appendix KK to the CAISO tariff.

22 Proposed Section 4.1.1(1) of Appendix KK to the CAISO tariff.

23 The affiliate restriction prohibits developers from simply inventing an off-taker for the sole purpose of meeting the tariff requirement.

24 Section 4.1.1.1 of Appendix KK to the CAISO tariff.

25 Section 4.1.1(1) of Appendix KK to the CAISO tariff. Multiple LSEs may elect to exercise this option jointly for a single interconnection request that is less than 150 percent of their aggregate points.

this option is to enable LSEs with small load shares to ensure sufficient resource availability in the study process.[26]

Smaller LSEs have noted that the current allocation options may limit their choices year to year. As the Northern California Power Agency noted in its stakeholder comments:

> Because of the relatively large size of most new generation compared to the capacity of small LSEs, a cap of 150% of the LSE's capacity allocation could prevent small LSEs from reflecting full interest in new generation. Small LSEs often require intermittent procurement of large projects (as opposed to more frequent acquisition of smaller projects), and it is important that CAISO's scoring rules align with this reality so that they accurately indicate project viability.[27]

The CAISO agrees with this concern, and proposes to revise the methodology for determining an LSEs cap on the full allocation election to the lesser of 50 percent of the LSE's forecasted load,[28] or 500 MW. The CAISO has included a table showing the difference between the *status quo* and the proposal on page 10 of the final proposal, included as Attachment C. The 50 percent of the LSE's forecasted load should be sufficient to allow smaller LSEs the ability to select projects of sufficient size to meet their future needs when they receive an allocation of commercial interest capacity that is lower than needed. The 500 MW maximum limit ensures that larger LSEs cannot use their larger load shares to select large projects that could dominate the scoring and ranking process. The 500 MW level is based on the 95th percentile of the interconnection service capacity of all projects shown in the queue report that have reached commercial operation. The largest (100th percentile) is 850 MW. The CAISO believes that this adjustment to the full allocation option will enable smaller LSEs to procure projects that can better meet their future needs and help right-size the procurement playing field among LSEs. Stakeholders, including small and large LSEs, supported the proposal.

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[26] LSEs with larger load shares are unlikely to use this option because they have more than sufficient points to award full capacity to more than one project.

[27] https://stakeholdercenter.caiso.com/Comments/AllComments/cccaf2da-6709-4dcd-b6cd-094c66c07b94#org-5ab7a7ad-d06d-4343-950f-2475e4f283d7.

[28] Proposed Section 4.1.1 of Appendix KK to the CAISO tariff. Specifically, the CAISO proposes to use the CEC's coincident peak demand and load ratio share forecast for resource adequacy load share calculation to determine each LSE's forecasted load.

3. Incorporating distributed projects seeking deliverability into intake scoring process

Distribution-level interconnection requests in the CAISO balancing authority area that seek to provide wholesale energy are governed by the PTOs' Wholesale Distribution Access Tariffs (WDAT), and other member utilities' similar tariffs. The PTOs perform the reliability studies, but if the interconnection customer seeks deliverability, the CAISO performs the deliverability studies. The CAISO also allocates deliverability to allow distributed projects to participate in the Resource Adequacy process in the same manner as transmission-connected projects.[29] This is a commonly used process: over the last decade, hundreds of wholesale, distributed energy resources have come online, and now participate in the CAISO markets and provide resource adequacy.

With the creation of the intake scoring process, stakeholders and the CAISO became concerned that distributed projects' participation in the CAISO deliverability studies have the potential to eat into available deliverability on the CAISO system, thereby making it harder for transmission-connected resources to proceed to the cluster study.[30] At the same time, the CAISO and stakeholders must ensure distributed projects have open and fair access to the transmission capacity that can make them deliverable. The CAISO and stakeholders want to ensure that distributed projects and transmission-connected projects compete for deliverability on a level playing field.

To ensure this level playing field, the CAISO proposes to require distributed, wholesale projects seeking deliverability to participate in the same intake scoring process as CAISO interconnection customers seeking deliverability.[31] Eligible distributed projects must submit their project intake scores using the same application process that CAISO interconnection customers are required to use, and during the same cluster application window.[32]

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29 Section 9.3 of Appendices DD and KK to the CAISO tariff.

30 For example, if the CAISO must accommodate every distributed project seeking deliverability, the 150% cap on project capacity to be studied in a given zone could become meaningless and require the study of project capacity levels significantly exceeding the 150% limit. Deliverable transmission zones may have far less deliverability than interconnection customers would anticipate be available without accounting for the distributed projects. The 150% limit was set to produce an appropriate level of competition for the available deliverability. Distributed project capacity must be included in the scoring process to ensure the integrity of the process.

31 Proposed Section 9.3 of Appendix KK to the CAISO tariff.

32 The interconnection customer must have submitted its distributed interconnection request to the utility distribution company before or simultaneous with the CAISO's window. The CAISO's deliverability studies require the utility distribution company's reliability study results. Distributed interconnection customers will submit the project readiness scoring information required in the

The CAISO will validate that the project is an active project in the utility's interconnection process and is eligible to seek deliverability.[33] Distributed projects confirmed to be eligible will be checked by the CAISO to confirm that the project is seeking to interconnect at a location where its point of delivery to the CAISO controlled grid has available deliverability.[34] Projects that are eligible to proceed into the scoring process will be scored and ranked with CAISO interconnecting projects using the same intake scoring metrics. They will compete with CAISO interconnecting projects to be included in the CAISO cluster studies based on the project's score. If a project's score enabled it to be included in the studies, its resource adequacy eligible capacity will reduce the remaining available capacity for future requests, just like CAISO interconnection requests.[35] These proposals will ensure transmission- and distribution-connected resources compete for deliverability on the same set of rules and procedures. Stakeholders broadly supported these proposals.

Because studying distributed projects for deliverability is an existing process, the CAISO already has tariff provisions governing reimbursement for study costs. However, the CAISO believes it is prudent to clarify that distributed customers will be subject to the interconnection fee, deposit, and financing requirements of their applicable utility tariff and not the CAISO tariff. This rule avoids conflicts between the two tariffs, or requiring distributed customers to pay double the costs. Nonetheless, this general rule has two exceptions: First, distributed customers will be subject to any financial requirements set forth in the screening process itself, like auction tiebreaker deposits.[36] Second, if a distributed generating facility shares delivery network upgrades with other projects, it must provide security and authorization to the PTO based on the timelines set forth in the CAISO tariff, namely, to meet the commercial operation date of the *earliest* project sharing the upgrade.[37] These requirements are not currently part of the distribution tariffs, and are necessary to maintain a level

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CAISO's interconnection request for the CAISO to score the project and conduct the deliverability studies. The CAISO will work with its PTOs to specify in the Business Practice Manual any information in the CAISO interconnection request not required for deliverability studies, including any information duplicative of WDAT interconnection requests.

33 The CAISO will verify with the interconnecting PTO.

34 Likewise, the interconnection customer's applicable transmission zone will depend on its point of delivery to the CAISO controlled grid (its point of interconnection being to the distribution grid).

35 Consistent with the filed rate doctrine, these tariff revisions are prospective only. Distributed resources that already have deliverability or are being studied with cluster 15 will not be affected.

36 *Id*. Such a requirement would not exist in a WDAT, and is necessary to maintain consistent rules between distribution and transmission customers.

37 *Id*. (citing Section 13.6 of Appendix KK to the CAISO tariff).

playing field for distribution and transmission-connected customers throughout the study process.

Distributed projects may withdraw their CAISO study requests at any time. If at any time the project no longer has an active interconnection request under the PTO tariff, the CAISO will deem it withdrawn.[38] Following the interconnection facilities study for the project, the Participating TO will tender a draft GIA or GIA amendment pursuant to its tariff.[39]

4. Applying the CAISO's commercial viability criteria to all projects requesting to remain in queue beyond seven years

The Commission's *pro forma* LGIP anticipates that interconnection requests should take no more than seven years to come online.[40] When an interconnection customer submits an interconnection request, the proposed commercial operation date must be within seven years of the request unless the customer can demonstrate "that engineering, permitting and construction of the new Large Generating Facility . . . will take longer."[41] Although seven years in queue is contemplated, it is not a hard limit.[42] Interconnection customers are not prohibited from requesting longer dates even at the outset.[43] More critically, once in queue interconnection customers have numerous means to remain there: suspension, extension requests, force majeure, etc. And the longer in queue, the more investment the customer has made, making it and the transmission provider more reticent to remove it no matter how long it seeks to stay in queue. This can be especially problematic because developers may stall their own construction and permitting efforts as pretexts to stay in queue until they can find a power purchase agreement to finance their project.

The CAISO tariff includes the seven-year timeline in two ways: (1) like the *pro forma* LGIP at the interconnection request stage, and (2) through the CAISO's "commercial viability criteria."[44] The CAISO established the commercial viability criteria in 2016 to limit the number of milestone extension requests

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38 *Id*.

39 *Id*.

40 *See* Section 3.4.2 of *pro forma* LGIP.

41 *Id*.

42 There are no prescribed criteria to deny an interconnection customer's demonstration that it will take longer.

43 Such requests at the interconnection request stage are rare, often limited to hydroelectric projects and offshore wind projects.

44 Sections 6.7.4 of Appendices DD and KK to the CAISO tariff.

beyond the seven-year timeline.[45] However, the CAISO limited the commercial viability criteria to those projects seeking to be in queue beyond seven years *while retaining deliverability*. There are no criteria for extension requests for Energy Only projects.[46]

The commercial viability criteria thus require projects requesting to move their commercial operation dates more than seven years from their interconnection request dates to:

a) Provide 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) Provide proof of having an executed power purchase agreement;
c) Demonstrate Site Exclusivity for 100% of the property necessary to construct the facility through the Commercial Operation Date requested in the modification request;
d) Have an executed GIA;[47] and
e) Be in good standing with the GIA.[48]

An interconnection customer that can meet all of these criteria but does not yet have a power purchase agreement does not have to provide the power purchase agreement for one year from the day of the modification request, or eight years after the CAISO received the interconnection request, whichever occurs later.[49] This safe harbor enables projects to alert the CAISO and PTO of their timelines as soon as they are known, but still provides the customer time to market its project and find an offtakers. Once the interconnection customer passes the commercial viability criteria initially, it is subject to annual re-certification that it continues to meet them.[50]

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45 *California Independent System Operator Corp.,* 154 FERC ¶ 61,169 (2016).

46 Interconnection customers also must pass the material modification assessment: their extensions cannot negatively impact the cost or timing of other projects. However, customers can mitigate those impacts to pass. For example, if an interconnection customer shares an upgrade with another project, it can agree to continue financing that upgrade, but receives milestone extensions for all its other upgrades. This way it has negated the material impact.

47 Nearly all extension requests that trigger the criteria come from customers that already have GIAs. Some could, however, come after the completion of studies and just before the GIA is negotiated. The GIA requirement ensures that the extension is addressed simultaneous with GIA negotiation for the few potential customers that believe they need long extensions that are beyond the network upgrade construction timelines (a rare occurrence).

48 Sections 6.7.4 of Appendices DD and KK to the CAISO tariff.

49 *Id.* (the latter clause usually applies).

50 Sections 6.7.4.1 of Appendices DD and KK to the CAISO tariff.

Currently, an interconnection customer that can meet the commercial viability criteria may extend its commercial operation date beyond (or further beyond) seven years from its request date and retain its deliverability allocation. An interconnection customer that cannot meet the criteria must convert to Energy Only; however, it can still extend its milestones. In 2016, virtually no projects would come online as Energy Only, so the CAISO was less concerned with Energy Only projects remaining in queue for long periods. Moreover, most projects would elect to withdraw rather than proceed as Energy Only because of the dearth of procurement of Energy Only projects. Now, however, that is not the case. After receiving between zero and two Energy Only interconnection requests in previous clusters, the CAISO received 48 Energy Only interconnection requests in Cluster 15, comprising 14,421 MW. Additionally, time in queue for all projects has grown. Of the 301 active projects in queue, 45 are currently subject to the commercial viability criteria.

Although interconnection customers seeking extensions may not have a negative material impact on the cost or timing of other interconnection customers, actual impact can go undetected because of the nature of the cluster study process: Lingering projects often hold transmission capacity, deliverability, and bus positions that future, viable interconnection projects could use. For example, assume a cluster 11 project can use the only available bay at a substation. A project in cluster 12 then proposes to interconnect at the same substation, but the available bay is already allocated, so the cluster 12 project is assigned the costs of expanding the substation. If the cluster 11 project seeks to extend its time in queue, it would always pass the material modification assessment because the cluster 12 project's cost or timing would never *increase*. The cluster 12 project's studies have always assumed the substation is fully subscribed because the cluster 11 project came first. Only if the cluster 11 project withdraws will the cluster 12 studies be revised to reflect that the substation did not need to be expanded for the cluster 12 project. These assumptions are common in all cluster studies. Layers and layers of new upgrades assume the layer below them is necessary only because of the potential construction of earlier customers.

Although the CAISO recognizes that many interconnection customers do so for circumstances beyond the interconnection customers' control, the effects of projects' lingering in queue are manifold: the longer a project sits in queue, the greater the likelihood that events unfold that degrade the inputs and results from its interconnection studies. This, in turn, adversely impacts the accuracy of information to be included in subsequent studies and the GIA, which relies in large part on the results of the studies.

For these reasons, the CAISO and stakeholders believe it is prudent to expand the applicability of the existing commercial viability criteria. Instead of

being the criteria to retain deliverability beyond seven years in queue, the CAISO proposes to apply the commercial viability criteria to all extension requests that would move the interconnection customer's commercial operation date beyond, or further beyond, seven years.[51] In other words, interconnection customers must satisfy the commercial viability criteria for the CAISO to approve a request to extend the commercial operation date beyond seven years in queue. This will put all interconnection customer extension requests on a level playing field, deter lingering in queue, and improve the interconnection results for first-ready projects.

Importantly, the CAISO notes that the commercial viability criteria can be triggered only by the interconnection customer's actions.[52] If a transmission owner unilaterally extends interconnection customers' commercial operation dates because of the transmission owner's construction or procurement delays, the interconnection customer does not suddenly come under the commercial viability criteria.[53] This has always been the CAISO's policy, and the CAISO does not propose to change it here. Likewise, the CAISO notes that this extension of the commercial viability criteria will only apply prospectively, consistent with the filed rate doctrine. Any interconnection customer that already has a commercial operation date beyond seven years in queue will not be required to meet the criteria immediately after these tariff revisions become effective. The criteria are triggered only when the interconnection customer itself requests an extension in the future.

The CAISO proposes to adjust the annual review process after projects already under the commercial viability criteria face a construction delay.[54] The CAISO proposes that when this occurs, the project will be exempt from the next annual review. The CAISO believes this is fair treatment when projects receive a further extension that is outside the interconnection customer's control because it provides the interconnection customer ample time if it needs to renegotiate its

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51 Proposed Sections 6.7.4 of Appendices DD and KK to the CAISO tariff. All of the revisions to these sections simply change the scope and effect without changing the criteria themselves. Language that used to refer to converting to Energy Only is revised to refer to downsizing or withdrawal. The CAISO also has clarified that GIA suspensions—which already require a material modification assessment because they extend milestone dates—may be subject to the commercial viability criteria if they extend the commercial operation date beyond seven years. This is already current policy for suspensions for deliverable projects. Proposed Articles 5.16 of Appendices EE and LL.

52 *Id*. (hence the provision applies the criteria to "modifications requested by the Interconnection Customer.")

53 If, however, transmission owner delays pushed the interconnection timeline beyond seven years, but then the interconnection customer independently requests to extend them even further, the commercial viability criteria would apply to the extension request.

54 Proposed Sections 6.7.4.1 of Appendices DD and KK to the CAISO tariff.

power purchase agreement and maintain tariff obligations to continue meeting the criteria annually.

The CAISO also proposes to clarify that the one-year safe harbor provision to provide a power purchase agreement may be used only once.[55] In other words, an interconnection customer may not push the power purchase agreement requirement by repeatedly requesting to extend its commercial operation date to re-trigger the safe harbor provision.

The CAISO notes that the Commission recently rejected a proposal from Nevada Power Company and Sierra Pacific Power Company (together, "NV Energy") regarding requests to extend the in-service date beyond 10 years from the date proposed in their interconnection request.[56] Like the CAISO, NV Energy struggled with the reasonableness standard of long extensions in the *pro forma* LGIP, and sought to impose clear criteria. The Commission rejected NV Energy's proposal, finding that (1) "NV Energy's proposal does not include a reasonable transition period to allow interconnection customers with executed LGIAs, . . . sufficient opportunity to satisfy the proposed requirements before they will become binding;" and (2) "it is not known how many such projects would be affected, whether any of those projects are waiting for equipment that is known to have long lead times, or whether any such projects may involve specific permitting issues related to federal lands."[57] As such, the Commission found that NV Energy had "not demonstrated that the proposed variation appropriately protects interconnection customers in the latest stages of the interconnection process, particularly given the gaps in this record as to the effects of NV Energy's proposed changes."[58]

The CAISO's proposal is distinct from NV Energy's. First, the CAISO's proposal merely expands an already approved tariff mechanism to a growing class of interconnection customers: Energy Only projects.[59] The Commission has already approved the CAISO's criteria as just and reasonable. Second, even looking at deliverable and Energy Only projects together, the CAISO has structured its commercial viability criteria to provide more than "sufficient opportunity to satisfy the proposed requirements before they will become

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55 Proposed Sections 6.7.4 of Appendices DD and KK to the CAISO tariff.

56 *Nevada Power Co.*, 195 ¶ 61,104 at PP 38-40 (2026).

57 *Id.* at P 40.

58 *Id.*

59 Although the effect also changes from converting to Energy Only to downsizing, withdrawing, or forgoing the extension, the result does not materially change because most deliverable projects elected to withdraw if they could not pass the commercial viability criteria.

binding."[60] The new Energy Only interconnection customers are near the beginning of their study process with years to prepare to meet these requirements. Moreover, under the new Order No. 2023 site control, GIA, and financial requirements, the commercial viability criteria only represent an incremental step in demonstrating basic progress. For the crucial requirement of having a power purchase agreement, the interconnection customer will have had at least eight years in queue before needing to meet that requirement. Moreover, formerly deliverable projects have been on notice of the commercial viability criteria since 2016.

The CAISO already has ten years of experience applying its commercial viability criteria. In that time, the criteria have worked well, with no false positives triggering due to transmission owner construction delays—which are exempt—or an inability to have 100% site exclusivity—not site control—by this point. As such, "projects [] waiting for equipment that is known to have long lead times," and "projects [that] may involve specific permitting issues related to federal lands" are unaffected. The CAISO has not seen any interconnection customer requiring generating equipment with a longer lead time that its own network upgrade requirements. Likewise, interconnection customers on federal lands are not required to have site control under the criteria; they only need to have a pending application for the site. This is a purposeful distinction for the CAISO based on its experience. The CAISO does not want to weed out viable projects experiencing permitting, procurement, or land delays through no fault of their own. Rather, the CAISO's commercial viability criteria is tailored to weed out projects claiming that they have permitting, procurement, or land delays as pretexts to continue to market their projects to potential offtakers.

The CAISO also has included data in the record regarding the number of customers that could be subject to the commercial viability criteria. Of the 301 active projects in queue, 45 are currently subject to the commercial viability criteria. There is currently a larger share than expected resulting from the extensions to clusters 14 and 15. In other words, the share of projects subject to the criteria is likely higher than typical because there have only recently been new interconnection requests—cluster 15—to balance the share between old and new projects. Of the 45 projects subject to the criteria, 18 projects triggered the criteria for the first time last year. The CAISO expects that figure is more indicative of future expectations. The CAISO cannot predict exactly how many projects may be subject to the commercial viability criteria in the future because the criteria only affect customer-requested extensions, which are unique to the customer. Network upgrade and transmission owner interconnection facility timelines, even when beyond seven years or delayed after the interconnection studies, do not trigger the criteria. Such extensions are automatic and issued by

60 *Id.*

the CAISO and transmission owner through study reports or later addenda, with no action required by the interconnection customer.

The CAISO has gone to great lengths to address the beginning of the interconnection request process by implementing its landmark scoring criteria. But problems, delays, and higher costs will persist if transmission providers cannot address the back of the queue as well. The proposed expansion of the commercial viability criteria is intended to "give interconnection customers more transparency and certainty about the criteria to extend their in-service date," and continue "clearing out speculative and non-viable projects."[61]

5. Adjusting the initial commercial readiness deposit due date

Per Order No. 2023, the CAISO tariff currently requires a commercial readiness deposit equal to two times the study deposit by the close of the interconnection request window for an interconnection request to be deemed complete.[62] Any interconnection customer that has not submitted a complete interconnection request by the close of the window will be deemed incomplete with no opportunity to cure or otherwise be included in the queue cluster. This is a significant requirement for the interconnection customer and takes meaningful coordination between the customer and the interconnecting PTO to review the customer's arrangement for meeting the deposit and ensure it is consistent with the PTO's requirements.

The CAISO and PTOs' experience with cluster 15 gave the CAISO, PTOs, and interconnection customers concern with the timing of this requirement. Because the cluster 15 interconnection request window was uniquely longer than the standard 15-day window,[63] parties had sufficient time to ensure interconnection requests complied with the requirement. During a 15-day window, however, the CAISO, PTOs, and interconnection customers are concerned that enforcing this requirement for hundreds of interconnection requests will be unduly challenging. Most interconnection customers submit commercial readiness deposits as letters of credit, which take significant time and resources to verify and process. More critically, a significant portion of would-be interconnection requests will not proceed to the CAISO cluster study because of the CAISO's intake screening processes: only those with a sufficiently high score will proceed to the cluster study. The effort used to submit and verify commercial readiness deposits for interconnection requests that will

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61 *Id.* at P 1, 3 (Commissioners See and Chang, *dissenting*).

62 Section 3.5.1 of Appendix KK to the CAISO tariff.

63 *Compare* Section 17.1(a) of Appendix DD to the CAISO tariff *with* Section 3.3.1 of Appendix KK to the CAISO tariff.

not proceed to the cluster study could be better applied to verifying technical requirements that inform the screening process.

The CAISO thus proposes that the commercial readiness deposits will only be required for projects that have successfully completed the scoring process and are proceeding to interconnection request validation. The commercial readiness deposit would need to be acceptable to the interconnecting PTO by the close of the cluster customer engagement window to proceed to the cluster study.[64] This slight modification will aid all parties in getting through the interconnection request intake process. Although the change slightly differs from Order No. 2023 timelines and the *pro forma* LGIP, the CAISO believes it is necessary to reflect the CAISO's scoring process between the request window and the engagement window. As such, the Commission should approve the deviation as just and reasonable and consistent with the intent of Order No. 2023 under the independent entity standard.

6. Clarifying participation on the CAISO's executive dispute committee

Projects deemed withdrawn by the CAISO have the option of appealing their withdrawal to the "GIDAP Executive Dispute Committee," which consists of "the Vice President responsible for administration of [the] GIDAP, the CAISO Vice President responsible for customer affairs, and an additional Vice President."[65] To ensure the process is expeditious, the committee only has five business days to uphold the withdrawal or restore the interconnection request.[66] However, the rapid timeline coupled with the strict definition of the committee can be challenging for the CAISO to administer when one of the named vice presidents is unavailable if a dispute arises. To date, the CAISO has been able to comply with this tariff provision. Nevertheless, the CAISO is concerned that it will not be able to comply with this tariff provision if a named vice president is on leave or otherwise unavailable during the five-day window.

To avoid any issue, the CAISO proposes to enable the named vice presidents on the committee to appoint another CAISO vice president as a delegate if the named vice presidents are unavailable.[67] This will avoid any risk

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64 Proposed Sections 3.5.1(xi) (removing the request window requirement) and Section 3.5.1.6 (moving it to a customer engagement window requirement) of Appendix KK to the CAISO tariff.

65 Sections 15.5 of Appendix DD to the CAISO tariff and Appendix KK to the CAISO tariff.

66 If the committee upholds the withdrawal, the interconnection customer can continue to exercise alternative dispute resolution procedures or accept the withdrawal.

67 Proposed Section 15.5 of Appendix KK to the CAISO tariff and Section 15.5 of Appendix DD to the CAISO tariff.

of non-compliance with the five-business day requirement. Maintaining the timeline for withdrawal appeals will ensure that interconnection customers can resolve any disputes rapidly, and without having a belabored dispute affect ongoing studies and base cases. The CAISO also proposes to remove the term "GIDAP" from the committee's name because the committee oversees withdrawals from both the GIDAP and the RIS.[68]

7. Removing the pre-application process

Independent of the cluster study process, the CAISO tariff provides an opportunity for developers to request a "pre-application report" for generating facilities less than 20 MW.[69] The CAISO and PTO are not required "to create new information," but they must provide site-specific data including:

- 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,
- 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,
- 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,
- 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, and
- Available capacity on a substation or circuit likely to serve the proposed Point of Interconnection.[70]

The pre-application report process requires CAISO and PTO staff to package the data for specific sites. These tasks could be accomplished by developer staff or consultants, but instead takes CAISO and PTO time away from cluster study processes. The pre-application report resulted from Order No. 792, issued in 2013. Order No. 792 long predates other reforms that make the pre-application report information publicly available, especially the heatmap requirements from Order No. 2023. The CAISO also went well beyond the heatmap requirements

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68 The CAISO also proposes to de-capitalize the name of the committee. Although it was capitalized before, it was not actually a defined term in Appendix A to the CAISO tariff. Additionally, its use is limited to this single provision, and all the words in the term use their plain English meaning, so a defined term is unnecessary.

69 Section 1.3 of Appendix KK to the CAISO tariff.

70 Section 1.3.2 of Appendix KK to the CAISO tariff.

by establishing its own supplemental data requirements to help inform the intake screening processes.[71]

Order No. 792 established the pre-application report to "benefit the interconnection process by helping Interconnection Customers make more informed siting decisions and may diminish the practice of requesting multiple interconnection requests for a single project."[72] Unfortunately, this was not proven to be the case, especially when weighed against other reforms that allow developers to optimize their site selection. Developers frequently request pre-application reports when the information becomes stale before the project would be able to make any actionable decisions. As a result, the process provides misleading information to the developer while taking valuable resource time to develop. With all the data and information that is now available prior to each cluster's application window, interconnection customers can access the information that would be in a pre-application report on their own. In doing so, the customers can review information that is more extensive than what would be in the report, including information on all potential points to interconnect, versus just the one requested through the pre-application process.

Understanding that the report could be burdensome to produce, the Commission limited the pre-application report to small generating facilities only. However, experience demonstrates that this cap has been largely abused in the CAISO. Pre-application reports do not result in interconnection requests for the same small generating facilities; rather, developers simply use the information about hypothetical small generating facilities to inform their requests for large generating facilities. The CAISO analyzed pre-application reports and queue data between 2017 and 2023, and found that the vast majority of the pre-application reports informed projects larger than the 20 MW limit allowed for the pre-application process. Interconnection customers typically do not use the same name in their interconnection request as was in the pre-application request, so the CAISO's data is likely conservative. Possibly *no* small generating facility requests resulted from pre-application reports. At most, only eleven percent of the 163 pre-application requests resulted in an actual interconnection request or 20 MW or less. The vast majority were instead used to inform large generating facilities. The large number of requests from a single entity is further evidence that the process is frequently abused.[73]

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71 *See* Section 3.6 of Appendix KK to the CAISO tariff.

72 *Small Generator Interconnection Agreements & Procs.*, Order No. 792, 78 FR 73240 (Dec. 5, 2013), 145 FERC ¶ 61,159 at P 37 (2013), *clarifying*, Order No. 792-A, 146 FERC ¶ 61,214 (2014).

73 The CAISO believes the decrease in pre-application reports for clusters 14 and 15 is misleading. Pre-application report requests were low because the interconnection request windows were delayed, so developers had fewer request windows to prepare for, and favored

					Status of Actual IRs Received for Projects 20 MW or Less				
Year	Possible Relevant Cluster	Pre-Apps Received	Source of Application	Percent from 1 Entity	Active	Online	Withdrawn	Total	Percent of Pre-Apps that may have resulted in an IR
2023	C15	3	various entities				1	1	33%
2022		3	various entities					-	0%
2021	C14	15	various entities				4	4	27%
2020	C13	15	various entities				2	2	13%
2019	C12	71	58 from 1 entity	82%		1		1	1%
2018	C11	37	20 from 1 entity	54%	1		1	2	5%
2017	C10	19	17 from 1 entity	89%	1	1	6	8	42%
	Totals	163			2	2	14	18	11%

The CAISO thus proposes to remove the pre-application study process. Its history demonstrates rampant misuse that costs the CAISO and PTO planning engineers significant time. Moreover, the pre-application study process is vestigial to the modern study process. It was created long before Order No. 2023's heatmap requirements and the CAISO's extensive deliverability maps ahead of each cluster application window. As such, pre-packaged data is readily available on top of the CAISO's base cases (which only require a non-disclosure agreement to access). Additionally, under the faster Order No. 2023 study timelines, the CAISO and PTOs do not have the time and resources to accommodate pre-application reports. Rather than lengthening cluster study timelines to have sufficient bandwidth to conduct pre-application reports, the CAISO proposes to remove the pre-application study process. The CAISO respectfully requests that the Commission approve this removal as just and reasonable and consistent with the independent entity standard. Stakeholders generally supported the removal, agreeing that the pre-application report is no longer necessary because of the information now available pre-application.

C. Effective Date

The CAISO requests that the Commission accept the tariff revisions contained in this filing effective August 5, 2026 (*i.e.*, 61 days after the date of this filing).

large facilities. The return to annual request windows would be likely to return pre-application reports to larger volumes.

D. Communications

Pursuant to Rule 203(b)(3) of the Commission's Rules of Practice and Procedure,[74] the CAISO requests that all correspondence, pleadings, and other communications regarding this filing should be directed to following:

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E. Service

The CAISO has served copies of this filing on the CPUC, the CEC, and all parties with scheduling coordinator agreements under the CAISO tariff. In addition, the CAISO has posted a copy of the filing on the CAISO website.

F. Contents of Filing

In addition to this transmittal letter, this filing includes the following attachments:

Attachment A	Clean CAISO tariff sheets incorporating this tariff amendment
Attachment B	Red-lined document showing the revisions in this tariff amendment
Attachment C	Final Proposal
Attachment D	Board Memorandum
Attachment E	Tariff Clarifications Table
Attachment F	ER25-131-000 Transmittal Letter

[74] 18 C.F.R. § 385.203(b)(3).

G. Conclusion

For the reasons set forth above, the CAISO respectfully requests that the Commission accept the tariff revisions proposed above effective August 5, 2026.

Respectfully submitted,

/s/ William H. Weaver

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Attachment A – Clean Tariff

Interconnection Process Enhancements Initiative (IPE 5) Tariff Amendment

California Independent System Operator Corporation

June 5, 2026

Section 25

25. Interconnection of Generating Units and Facilities

25.1 Applicability

This Section 25 applies to:

(a) each new Generating Unit that seeks to interconnect to the CAISO Controlled Grid;

(b) each existing Generating Unit connected to the CAISO Controlled Grid that will be modified with a resulting increase in the total capability of the power plant;

(c) each existing Generating Unit connected to the CAISO Controlled Grid that will be modified without increasing the total capability of the power plant but has changed the electrical characteristics of the power plant such that its re-energization may violate Applicable Reliability Criteria;

(d) each existing Generating Unit connected to the CAISO Controlled Grid whose total Generation was previously sold to a Participating TO or on-site customer but whose Generation, or any portion thereof, will now be sold in the wholesale market, subject to Section 25.1.2;

(e) each existing Generating Unit that is a Qualifying Facility and that is converting to a Participating Generator without repowering or reconfiguring the existing Generating Unit, subject to Section 25.1.2;

(f) each existing Generating Unit connected to the CAISO Controlled Grid that proposes to repower its Generating Unit pursuant to Section 25.1.2; and

(g) Generating Units interconnecting to the CAISO Controlled Grid over a Subscriber Participating TO transmission facilities using Subscriber Rights are required to apply for TP Deliverability under Section 25.1 once (1) the Subscriber Participating TO transmission facilities have completed their transmission interconnection studies with all interconnecting Transmission Owner(s), (2) Subscriber(s) have executed the Generator Interconnection Agreement, (3) the Subscriber Participating TO has committed to proceed with Construction Activities regarding the Subscriber Participating TO transmission facilities, and (4) the applicant provides a notice in writing to the applicable

interconnecting Transmission Owners that it is proceeding with Construction Activities. Once these criteria have been completed, the Generating Unit must apply as follows:

(1) each Generating Unit possessing Subscriber Rights and receiving Deliverability from TPP-approved Network Upgrades shall apply for TP Deliverability allocation through the submission of a Subscriber Participating TO-specific deliverability allocation request and does not submit an Interconnection Request under Section 25;

(2) each Generating Unit that does not meet the criteria under Section 25.1(g)(1) shall be treated in accordance with Section 25.1(a).

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6.7.4 Commercial Viability Criteria

The CAISO's agreement to modifications requested by the Interconnection Customer pursuant to Section 6.7.2.3 for a Generating Facility or Generating Unit 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 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, site location, and deliverability status in common with the Interconnection Customer and GIA;

c) Demonstrating Site Exclusivity for 100% of the property necessary to construct the facility through the Commercial Operation Date requested in the modification request. A Site Exclusivity 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.

Interconnection Customers that satisfied these commercial viability criteria before November 27, 2018 on the basis of balance-sheet or binding financing may continue to do so in their annual review. The CAISO's agreement to an extension of the proposed Commercial Operation Date does not relieve the Interconnection Customer from compliance with this GIDAP or the GIA, including without limitation 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 GIDAP.

If an Interconnection Customer satisfies all the commercial viability criteria except criterion (b), the CAISO will postpone withdrawing the Generating Facility 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 may exercise this provision only once. 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 withdraw 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 withdrawn.

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 be Full Capacity Deliverability Status.

Interconnection Customers in Queue Cluster 7 and beyond whose Phase II Interconnection 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 Phase II 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 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 CAISO will deem them withdrawn pursuant to Section 3.8. Interconnection Customers will not be subject to annual review requirements in any year the Participating TO unilaterally extends their Commercial Operation Date, but will resume compliance the following year.

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 Revisions; Revised Study Report

Should the CAISO discover, through written comments submitted by an Interconnection Customer or otherwise, that a final Phase I or Phase II Interconnection Study Report (which can mean a final Phase I or Phase II Interconnection Study Report for cluster studies or a final system impact and facilities report for the Independent Study Process) contains a substantial revision, the CAISO will cause a revised final report to be issued to

the Interconnection Customer.

A substantial revision shall mean a revision that results in one or more of the following:

(i) an increase of the Interconnection Customer's Current Cost Responsibility, Maximum Cost Responsibility, Maximum Cost Exposure, and Participating TO Interconnection Facilities 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 by the counterparty.

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 revision 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 revisions.

6.8.2 Other Revisions; Addendum

If a revision in an Interconnection Study report (for either the cluster process or Independent Study Process) is not a substantial revision, the CAISO shall not issue a revised final Interconnection Study report, although the revision may result in an adjustment of the corresponding Interconnection Financial Security. Rather, the CAISO shall document such revision 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 Revisions Adjust Posting Dates

Any revision found after the second Interconnection Financial Security posting will not increase the Interconnection Customer's Current Cost Responsibility, Maximum Cost Responsibility, or Maximum Cost Exposure.

6.8.4 Substantial Revisions Allowing Refunds

Notwithstanding Sections 3.5.1 and 11.4, after the Interconnection Customer has posted its Initial Interconnection Financial Security, it is eligible for a one-hundred percent (100%) refund of its remaining, unspent Interconnection Financial Security and all remaining, unspent Interconnection Study Deposit funds if:

(i) it receives a substantial revision; 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 by the counterparty resulting from the revision, as applicable.

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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 executive dispute committee, consisting of the Vice President responsible for administration of this GIDAP, the CAISO Vice President responsible for customer affairs, and an additional Vice President. The CAISO may replace Vice Presidents unavailable during the five (5) Business Days with another CAISO Vice President. The executive dispute committee shall have five (5) Business Days to determine whether or not to restore the Interconnection Request. If the 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.

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Appendix EE

Large Generator Interconnection Agreement

for Interconnection Requests Processed under the Generator Interconnection and Deliverability Allocation Procedures (Appendix DD of the CAISO Tariff)

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5.16 Suspension. The Interconnection Customer may request to suspend at any time all work associated with the construction and installation of the Participating TO's Interconnection Facilities, Network Upgrades, and/or Distribution Upgrades required under this LGIA, other than Network Upgrades identified in the Phase II Interconnection Study as common to multiple generating facilities. Interconnection Customers seeking to suspend construction will provide the CAISO and Participating TO a request for assessment pursuant to Section 6.7.2 of the GIDAP, a modification assessment deposit, and an anticipated end date of the suspension. Interconnection Customers may request a suspension for the maximum amount of time in lieu of providing an anticipated end date. The CAISO and Participating TO will approve suspension requests where:

(a) the Participating TO's electrical system and the CAISO Controlled Grid can be left in a safe and reliable condition in accordance with Good Utility Practice, the Participating TO's safety and reliability criteria, and Applicable Reliability Standards; and

(b) the CAISO and Participating TO determine the suspension will not result in a Material Modification.

For any suspension that will extend the Commercial Operation Date beyond seven (7) years from the date the Interconnection Request is received by the CAISO, the Interconnection Customer must satisfy the commercial viability criteria in Section 6.7.4 of the GIDAP.

During suspension, the Interconnection Customer may request to extend or shorten their suspension period, consistent with the maximum period provided in this Article. The CAISO and Participating TO will approve such requests where they meet criteria (a) and (b), above. Requests to extend or shorten extensions will require a new modification assessment request and deposit. The Interconnection Customer shall be responsible for all reasonable and necessary costs for suspension for which the Participating TO (i) has incurred pursuant to this LGIA prior to the suspension and (ii) incurs 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 Participating TO's electric system during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which the Participating TO cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, the Participating TO shall obtain Interconnection Customer's authorization to do so.

Network Upgrades common to multiple generating facilities, and to which the Interconnection Customer's right of suspension shall not extend, consist of Network Upgrades identified for:

(i) generating facilities which are the subject of all Interconnection Requests made prior to the Interconnection Customer's Interconnection Request;
(ii) generating facilities which are the subject of Interconnection Requests within the Interconnection Customer's queue cluster; and
(iii) generating facilities that are the subject of Interconnection Requests that were made after the Interconnection Customer's Interconnection Request but no later

than the date on which the Interconnection Customer's Phase II Interconnection Study Report is issued, and have been modeled in the Base Case at the time the Interconnection Customer seeks to exercise its suspension rights under this Article.

The Participating TO shall invoice the Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs. In the event Interconnection Customer suspends work required under this LGIA pursuant to this Article 5.16, and has not requested the Participating TO to recommence the work or has not itself recommenced work required under this LGIA in time to ensure that the new projected Commercial Operation Date for the full Generating Facility Capacity of the Large Generating Facility is no more than three (3) years from the Commercial Operation Date identified in Appendix B hereto, this LGIA shall be deemed terminated and the Interconnection Customer's responsibility for costs will be determined in accordance with Article 2.4 of this LGIA. The suspension period shall begin on the date the Interconnection Customer provides in its request, if approved. Ninety (90) days before the anticipated end date of the suspension, the Participating TO and the CAISO will tender an amended draft LGIA with new construction milestones. The Parties agree to negotiate the amended draft LGIA in good faith such that it can be executed by the end of the suspension.

Interconnection Customer subject to Section 8.9.2.2 of Appendix DD may not request suspension.

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11.4.1.4 [Not Used]

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5.3 Transmission Credits

No later than thirty (30) calendar days prior to the Commercial Operation Date, the Interconnection Customer may make a one-time election by written notice to the CAISO and the Participating TO to (a) receive Congestion Revenue Rights as defined in and as available under the CAISO Tariff at the time of the election in accordance with the CAISO Tariff, in lieu of a repayment of the cost of Network Upgrades in accordance with Article 5.3.1, and/or (b) decline all or a part of a refund of the cost of Network Upgrades entitled to the Interconnection Customer in accordance with Article 5.3.1.

5.3.1 Repayment of Amounts Advanced for Network Upgrades

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5.3.1.4 [Not Used]

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Appendix KK

Resource Interconnection Standards (RIS)

Section 1 Objectives And Applicability

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1.3 [Not Used]

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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

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 or Partial 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

After 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 provide access to the Interconnection Request to the applicable Participating TO within five (5)

Business Days of when the Interconnection Customer satisfies the Cluster Study criteria under Section 4 of this RIS.

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 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 ten (10) days after the close of the Cluster Application 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 within the same Transmission Zone. 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.

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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 forms of Appendix 1 and Appendix 2, 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, bump test plot, voltage reference step change test plot, frequency reference step change test, and a voltage ride-through 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) 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.

(xii) All supporting documentation required for the Interconnection Customer's selections on Appendix 2, as required by Section 4 of this RIS.

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.

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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. Notwithstanding, for any extension that will extend the Commercial Operation Date beyond seven (7) years from the date the Interconnection Request is received by the CAISO, the Interconnection Customer must satisfy the commercial viability criteria in Section 6.7.4.

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.

3.5.1.6 Commercial Readiness Deposit.

After notification that the Interconnection has satisfied the Cluster Study criteria in Section 4 of this RIS, and before the close of the Customer Engagement Window, the Interconnection Customer must submit a Commercial Readiness Deposit to the Participating TO 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 Participating TO under Section 11.1 of this RIS. This Commercial Readiness Deposit may be refunded to the Interconnection Customer according to Section 3.8 of this RIS.

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 Scoping Meetings with all interested Interconnection Customers. Scoping Meetings will be segregated by Transmission Zone and Cluster Study criteria. 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 (1) deemed valid, (2) that have executed a Cluster Study Agreement in the form of Appendix 3 to this RIS, (3) that have satisfied the Cluster Study criteria in Section 4, and (4) that submitted a Commercial Readiness Deposit 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 will validate Interconnection Requests that satisfy the Cluster Study criteria in Section 4 of this RIS. 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 satisfies the Cluster Study criteria, whichever is later. All Interconnection Requests must be 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 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.

3.5.4 Scoring Process

Pursuant to Section 4 of this RIS, the CAISO will score Interconnection Requests to determine their eligibility for the Cluster Study. The CAISO will provide Load Serving Entities with a list of Interconnection Requests after the close of the Cluster Application Window. Load Serving Entities submitting commercial interest points must do so no later than ten (10) days after the CAISO provides the list of Interconnection Requests.

* * * * *

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) The 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;

(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 eighty (180) days after the Cluster Study Report Meeting;

(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 eighty (180) 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 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) The number of Interconnection Requests withdrawn from the CAISO's interconnection queue after execution of a GIA or Interconnection Customer requests the filing of an unexecuted, new GIA;

(F) The 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.

* * * * *

3.8 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 interconnection queue on the CAISO Website; (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.

* * * * *

3.10 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:

* * * * *

(g) The emergency interconnection will be ineligible for Delivery Network Upgrades or TP Deliverability except Interim Deliverability, or until it can obtain TP Deliverability by submitting a subsequent Interconnection Request pursuant to Sections 3.5 or 5.1 of this RIS;

Section 4 Cluster Study Criteria

Only those Interconnection Requests that meet the criteria in this Section 4 will proceed to the Cluster Study. Any Interconnection Requests that do not meet the criteria or otherwise fail to comply with this Section 4 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 to the Interconnection Customer.

Each Interconnection Request can proceed to the Cluster Study based on one set of criteria only: the criteria for Deliverability in Deliverable Zones, Deliverability in Merchant Zones, Energy Only eligible for cash reimbursement, or Energy Only ineligible for cash reimbursement. Interconnection Requests seeking any Deliverability for any technology or Generating Unit at the Generating Facility will be subject to the criteria for Interconnection Requests for Deliverability. Interconnection Customers may not change their selected criteria after the Cluster Application Window.

Interconnection Requests that proceed to the Cluster Study based on the criteria for Energy Only Interconnection Requests may not obtain Deliverability for that Generating Facility and any associated Generating Units thereafter, including without limitation through transfers, modifications, or the TP Deliverability allocation process. Expansions to Energy Only Generating Facilities may receive Deliverability if their Interconnection Requests proceed to the Cluster Study based on the criteria for Interconnection Requests seeking Deliverability.

All scoresheets, documentation, and bids submitted will be Confidential Information consistent with Section 15.1 of this RIS. Notwithstanding, the CAISO may confirm any information as necessary with Load Serving Entities, counterparties, or Local Regulatory Authorities. The CAISO will notify the Interconnection Customer which screen was decisive to its Interconnection Request. The CAISO may publish composite data but will not publish or disclose which criteria or screen enabled individual Interconnection Requests to proceed to the Cluster Study. The CAISO will publish on the CAISO Website the number of bids and the clearing price of all winning bids for each Transmission Zone, but will not publish the names of any Interconnection Customers in the auctions or their corresponding bids.

4.1 Criteria for Requests for Deliverability in Deliverable Zones

Interconnection Requests in Deliverable Zones seeking any Deliverability will proceed to the Cluster Study only where they pass the screens of this Section.

1) There must be Deliverability available at the Interconnection Customer's Point of Interconnection.
2) If other Interconnection Customers in the Cluster are interconnecting in the same Deliverable Zone, and pass step one, only Interconnection Customers comprising one hundred fifty percent (150%) of the available Deliverability at their relevant Transmission Constraint may proceed to the Cluster Study. Interconnection Customers' capacity relevant to the available Deliverability will be based on their requested amount of Deliverability.
3) If two or more Interconnection Customers would exceed the 150% limit, only the highest-scoring Interconnection Customers that reach the 150% limit proceed to the Cluster Study. The CAISO may exceed the 150% limit only for the capacity of the last Interconnection Request that qualifies to reach the limit but which also would exceed it. To determine which Interconnection Customers proceed to the Cluster Study, the CAISO will score Interconnection Customers pursuant to Section 4.1.1 of this RIS.
4) If Interconnection Customers with the same scores would exceed the 150% limit, the CAISO will use those Interconnection Customers with the lowest distribution factors until it reaches the 150% limit. The distribution factor is the percentage of the Interconnection Customer's incremental increase in output that flows on a particular transmission line or transformer when the displaced generation is spread proportionally across all dispatched resources in the Balancing Authority Area.
5) If Interconnection Customers with the same scores and same distribution factors would together exceed the 150% limit, the CAISO will auction the right for those Interconnection Customers to be studied pursuant to Section 4.1.2 of this RIS.

4.1.1 Scoring Criteria

Each Interconnection Customer's score under Section 4.1 will be the sum of its points based on three criteria: (1) commercial interest (up to 30 points), (2) project viability (up to 35 points), and (3) system need (up to 35 points). The Interconnection Customer will submit a scoresheet providing its points in its Interconnection Request consistent with Section 3.5. Interconnection Customers will receive sub-points toward the points in the three criteria as follows:

1) An Interconnection Customer may receive up to 30 points for commercial interest based on its ratio of sub-points to 100. The Interconnection Customer's sub-points may consist of (a) Load Serving Entity point allocations (up to 100 sub-points) or a Load Serving Entity full allocation (100 sub-points); and (b) an affidavit from a counterparty that is not a Load Serving Entity (up to 25 sub-points). Points from multiple Load Serving Entities may be combined to achieve up to 100 sub-points. Interconnection Customers may not combine affidavits from multiple counterparties that are not Load Serving Entities, but may combine point allocations from Load Serving Entities with an affidavit from a counterparty that is not a Load Serving Entity.

   Load Serving Entities will provide the CAISO their point allocations consistent with Section 3.5. The Interconnection Customers will receive up to 100 sub-points in the commercial interest category based on the ratio of its requested Interconnection Service Capacity at the Point of Interconnection to the number of points allocated to it from the Load Serving Entity.

   If a Load Serving Entity lacks sufficient points to match the capacity of one project, or otherwise elects, it may indicate a full allocation to a project in lieu of allocating any of its points in that Cluster Application Window. A Load Serving Entity exercising this option can select one Interconnection Request only per Cluster Application Window, and the Interconnection Customer's Interconnection Service Capacity may not exceed the lesser of 500 MW or 50% of the Load Serving Entity's load according to the California Energy Commission's most recent coincident peak demand forecasts of Resource Adequacy load share. Multiple Load Serving Entities may elect to exercise this option jointly for a single Interconnection Request up to their aggregate maximum capacity under this provision. An Interconnection Request with a full allocation will receive 100 sub-points in the commercial interest category.

   Affidavits from non-Load Serving Entities must be executed by an authorized representative. The affidavit must attest the capacity of the Interconnection Request aligns with its individual needs; the counterparty and its holding company, if any, is not affiliated with the Interconnection Customer or its holding company; and that the counterparty and its holding company and affiliates support this Interconnection Request only, and no other Interconnection Requests in this Cluster Application Window.

2) An Interconnection Customer may receive up to 35 points for project viability based on its ratio of sub-points to 100. The Interconnection Customer's sub-points may include up to 50 sub-points for an engineering design plan of the Generating Facility, and up to 50 sub-points for expanding a Generating Facility. The Interconnection Customers will receive up to 50 sub-points for an engineering design plan based on the percent the plan is complete, with each percentage complete comprising one sub-point, as represented in an affidavit attesting to the completeness by a professional engineer. An Interconnection Customer will receive 10 sub-points if it is an expansion of a Generating Facility that has executed a GIA and submitted its notice to proceed and commenced Construction Activities, as confirmed by the Participating TO. Alternatively, an Interconnection Customer will receive 20 sub-points if it is an expansion of an online Generating Facility. Alternatively, an Interconnection Customer will receive 50 sub-points if it is an expansion of a Generating Facility that has executed a GIA, submitted its notice to proceed,

commenced Construction Activities, as confirmed by the Participating TO, or is online, and the Generating Facility's generator tie line to the CAISO Controlled Grid has sufficient surplus capacity to accommodate the sum of the maximum capacities of the extant Generating Facility and the expansion. Interconnection Customers seeking expansion sub-points must submit documentation to describe and verify the expansion with their scoresheets.

3) An Interconnection Customer may receive up to 35 points for system need based on its ratio of sub-points to 100. The Interconnection Customer will receive 50 sub-points if the Generating Facility could be a Local Capacity Area Resource when the Interconnection Request is submitted, and the CAISO has projected a Local Capacity Area Resource Deficiency in that Local Capacity Area. The Interconnection Customer will receive 100 sub-points if the Generating Facility is designated by a Local Regulatory Authority as a long lead-time resource; meets the requirements of the Local Regulatory Authority resource portfolio; and corresponds to approved Network Upgrades in the Transmission Plan specifically designed to meet the long lead-time resource needs of the Local Regulatory Authority, or does not require additional transmission capacity. The CAISO will confirm eligibility for these sub-points with the applicable Local Regulatory Authority.

4.1.1.1 Load Serving Entity Points

To allocate commercial interest points to Interconnection Customers, a Load Serving Entity must do the following at least two months prior to the Cluster Application Window's opening:

1) Provide the CAISO written, electronic notice of intent to participate in the points allocation. The notice must include (a) the publicly accessible website used by the Load Serving Entity; and (b) the contact information for the person or department conducting the points allocation for the Load Serving Entity.
2) Publish on the publicly accessible website (a) the selection criteria or consideration factors for awarding points; and (b) the contact information for the person or department conducting the points allocation for the Load Serving Entity. Public websites requiring registration are permissible.

Within five (5) Business Days after the deadline for Load Serving Entities to provide their notices, the CAISO will publish on the CAISO Website the contact information, website, and points allocation for each participating Load Serving Entity. To determine available Deliverable Option commercial interest points for allocation, the CAISO will take the aggregate available MW of Deliverability in each Transmission Zone and multiply it by a scaling factor of 0.5. The CAISO will then allocate shares of points to each Load Serving Entity based upon on their relative load ratio shares in the most recent coincident peak demand forecast from the California Energy Commission. Load Serving Entities are not required to allocate all of their allocated points. The CAISO will not redistribute forgone or otherwise unused points to other Load Serving Entities.

For each Cluster Application Window, a Load Serving Entity may allocate points to the greater of three (3) Interconnection Requests from Affiliates, or no more than twenty-five percent (25%) of its points to Interconnection Requests from Affiliates based on their requested Interconnection Service Capacity.

4.1.2 Auction Process

After the points assessment and distribution factor analysis, the CAISO will notify any still tied Interconnection Customers required to win an auction to be included in the Cluster Study. Those Interconnection Customers may submit a single, sealed bid of a $/MW value of aggregate Generating Facility Capacity at the Point of Interconnection, or withdraw. The CAISO will consider bids based on the dollar per MW bid value only, and not the product of the dollar value and the Generating Facility capacity. The CAISO will accept the highest bid(s) for the Cluster

Study until it reaches the one hundred fifty percent (150%) limit.

Interconnection Customers that win an auction and proceed to the Cluster Study must post an auction deposit by the end of the Cluster Engagement Window. The auction deposit may be in any form or combination of forms under Section 11.1. The value of the auction deposit is the product of the dollar value of the lowest winning bid in that Transmission Zone and the MW capacity of the Interconnection Customer's own Generating Facility at the Point of Interconnection. The CAISO and Participating TO will release or refund with any interest the auction deposit when the Generating Facility achieves Commercial Operation. If an Interconnection Customer withdraws its Interconnection Request, or is deemed withdrawn, it will lose the following portion of the auction deposit:

a) Fifteen percent (15%) prior to the commencement of the Cluster Restudy, or if no Cluster Restudy for that Queue Cluster takes place, the Interconnection Facilities Study;
b) Thirty percent (30%) between commencement of the Cluster Restudy, or if no Cluster Restudy takes place then the end of the Cluster Study, and commencement of the Interconnection Facility Study;
c) Fifty percent (50%) between commencement of the Interconnection Facilities Study and execution or the filing of an unexecuted GIA for the Interconnection Customer;
d) One hundred percent (100%) after the Interconnection Customer executes a GIA or an unexecuted GIA is filed on its behalf.

The CAISO and Participating TO will process any non-refundable auction deposit funds pursuant to Section 7.6 of this RIS.

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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. Fast Track Interconnection Requests may not obtain Deliverability for that Generating Facility and any associated Generating Units thereafter, including without limitation through transfers, modifications, or the TP Deliverability allocation process.

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;

(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.

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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 the Queue Cluster. 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 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.

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6.7.2.3 The Interconnection Customer shall provide the CAISO a $30,000 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 sixty (60) 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 $30,000 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 one hundred twenty (120) 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 thirty (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 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.

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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 $30,000 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.

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6.7.3 [Not Used]

6.7.4 Commercial Viability Criteria

The CAISO's agreement to modifications requested by the Interconnection Customer pursuant to Section 6.7.2.3 for a Generating Facility or Generating Unit 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 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 this RIS or the GIA, including without limitation 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 an Interconnection Customer satisfies all the commercial viability criteria except criterion (b), the CAISO will postpone withdrawing the Generating Facility 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 may exercise this provision only once. 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 withdraw 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 withdrawn.

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 be Full Capacity Deliverability Status.

6.7.4.1 Annual Review

For Interconnection Customers extending their Commercial Operation Date beyond the seven-year threshold 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 CAISO will deem them withdrawn pursuant to Section 3.8. Interconnection Customers will not be subject to annual review requirements in any year the Participating TO unilaterally extends their Commercial Operation Date, but will resume compliance the following year.

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 Revisions; 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 revision, the CAISO will cause a revised final report to be issued to the Interconnection Customer.

A substantial revision shall mean a revision that results in one or more of the following:

(i) an increase to 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 by the counterparty.

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 revision 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 revisions.

6.8.2 Other Revisions; Addendum

If a revision in an Interconnection Study report is not a substantial revision, the CAISO shall not issue a revised final Interconnection Study report. Rather, the CAISO shall document such revision 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 [Not Used]

6.8.4 Substantial Revisions 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 revision; 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 by the counterparty resulting from the substantial revision, as applicable.

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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. The CAISO will refund the deposit to the 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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7.5 [Not Used]

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 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 seventy-five (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

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. The CAISO will refund the deposit to the 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.

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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) 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 RIS;

(c) any other commitments having a basis in the Transmission Plan, including without limitation, long lead-time resources with corresponding transmission solutions, and 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 RIS. 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 RIS. For each Subscriber that submits a TP Deliverability request, the CAISO will provide the Subscriber with a Queue Position. The CAISO will reserve TP Deliverability for long lead-time resources specified in the Transmission Plan up to the lower of (a) the capacity of deliverable long lead-time resources in the approved Local Regulatory Authority portfolios submitted to the CAISO for the most recent Transmission Plan, or (b) the transmission capacity created by the Category 1 policy-driven transmission solutions and available on existing transmission for the long lead-time resources.

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.

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Section 9 Additional Deliverability Assessment Options

9.1 [Intentionally Omitted]

9.2 [Intentionally Omitted]

9.3 PTO Tariff Option for 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 or Partial 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. The CAISO will include all Generating Facilities subject to this provision, including predecessor studies, in its determination of available Deliverability pursuant to Sections 3.6 and 4 without limitation.

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. As described in the Business Practice Manual, such study request will be in the form of the CAISO's pro forma Interconnection Request, where applicable, including Cluster Study criteria under Section 4 of this RIS. The Interconnection Request must be submitted during the Cluster Application Window and must include the Generating Facility's intended Point of Delivery to the CAISO Controlled Grid. The CAISO will determine the Transmission Zone eligibility and include the Generating Facility in the Cluster Study criteria process and Deliverability assessments based upon the Participating TO's interconnection to the CAISO Controlled Grid. The Generating Facility will be eligible for Deliverability where it satisfies the criteria in this RIS.

Except for the financial requirements described in Section 4 of this RIS, the Generating Facility will be subject to the interconnection fee, deposit, and financing requirements of the Participating TO tariff and not the CAISO Tariff. Generating Facilities sharing Delivery Network Upgrades will be subject to Section 13.6, and must provide security and authorization to their Participating TOs by the same deadlines as CAISO Interconnection Customers sharing upgrades.

The Generating Facility may withdraw its CAISO study request at any time pursuant to Section 3.8. If at any time the Generating Facility no longer has an active Interconnection Request under the Participating TO tariff, the CAISO will deem it withdrawn pursuant to Section 3.8.

Following the Interconnection Facility Study for the Generating Facility deliverability study, the Participating TO will tender a draft GIA or GIA amendment pursuant to the Participating TO's tariff.

* * * * *

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 the Deliverable Option 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 Commercial Readiness Deposit. For Interconnection Customers selecting the Merchant Option, the Interconnection Facilities Study and 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 the Merchant Option 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 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 Participating TO 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 Participating TO. 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.

Notwithstanding any other provision, Interconnection Customers owned by Participating TOs, and interconnecting to their own Participating TO service area, are not required to post Commercial Readiness Deposits or GIA Deposits to themselves. If the Interconnection Customer withdraws, it must remit all funds that would have been forfeited upon withdrawal or termination absent this exemption.

* * * * *

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 following: (1) demonstration of continued Site Control pursuant to Section 8.1.1(2) of this RIS provided to the CAISO; and (2) the GIA Deposit provided to the Participating TO 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 Participating TO for its Interconnection Request. The Participating TO shall use the 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 and the Participating TO. If the Interconnection Customer fails to provide (1) and (2) to the CAISO and the Participating TO 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.

13.3.1 Implementation Deposit

Within thirty (30) days of the effective date of the GIA, the Interconnection Customer will provide the CAISO with a $35,000 implementation deposit. Generating Facilities interconnecting pursuant to a Participating TO tariff must submit a $6,000 implementation deposit at the commencement of

the CAISO new resource implementation process. The CAISO will deposit the implementation deposit in an interest bearing account at a bank or financial institution designated by the CAISO. The implementation deposit will be applied to pay for prudent costs incurred by the CAISO or third parties at the direction of the CAISO to manage the Interconnection Request between GIA execution and the Commercial Operation Date, including without limitation executing GIA amendments, modeling and testing for synchronization, preparing for metering and telemetry, and incorporating the Generating Units into the CAISO Markets. The CAISO will not use implementation deposit funds to offset or obviate processes that require separate deposits under this RIS, including without limitation Material Modification Assessments, Permissible Technological Advancements, and Limited Operation Studies.

The Interconnection Customer will be responsible for the actual costs incurred by the CAISO and applicable Participating TO(s). If the actual costs are less than the deposit provided by the Interconnection Customer, the Interconnection Customer will be refunded the balance, including interest earned. If the actual costs are greater than the deposit provided by the Interconnection Customer, the Interconnection Customer will pay the balance within thirty (30) days of being invoiced. The Participating TO(s) will invoice the CAISO for any work within seventy-five (75) days of the Commercial Operation Date or withdrawal, 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.

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

13.6 Shared Network Upgrades

Interconnection Studies and GIAs will identify when Network Upgrades are shared, and their estimated construction timelines. Once identified in the Interconnection Studies, or no later than when the first Interconnection Customer sharing the Assigned Network Upgrade executes its GIA with for the Assigned Network Upgrade, the CAISO and Participating TO will notify the other Interconnection Customers sharing the Assigned Network Upgrade when their provision of security under Article 11.5 of the GIA will be required based on the construction timeline required to meet the earliest In-Service Date of the Interconnection Customers sharing the Assigned Network Upgrade. All Interconnection Customers sharing the Assigned Network Upgrade must submit (a) their authorizations to proceed with design and procurement of the shared Network Upgrade and (b) their provision of security under Article 11.5 of the GIA for the shared Network Upgrade, by the same deadline. Interconnection Customers and Participating TOs may have separate posting and authorization deadlines for each shared Network Upgrade and other non-shared Network Upgrades, but Interconnection Customers sharing Assigned Network Upgrades must have the same deadlines for them. At all times, Interconnection Customers must have sufficient Commercial Readiness Deposit, GIA Deposit, and provision of security under Article 11.5 of the GIA to meet the requirements of this RIS and the GIA.

All Interconnection Customers sharing the Assigned Network Upgrade must execute an engineering and procurement agreement under Section 12 or a GIA prior to submitting their

security for the shared Network Upgrade. Where any Interconnection Customer sharing the Assigned Network Upgrade has not executed either agreement, the Participating TO will tender (1) a draft engineering and procurement agreement if the Interconnection Customer is parked, or (2) a draft GIA or GIA amendment, to the Interconnection Customer no later than one-hundred twenty (120) days before the provision of security deadline. The Interconnection Customer must execute the engineering and procurement agreement or GIA or request that the GIA be filed unexecuted prior to the deadline to post. The failure by an Interconnection Customer to timely (a) execute an engineering and procurement agreement or GIA or request an unexecuted filing, (b) submit the authorization to proceed, or (c) submit the provision of security for the shared Assigned Network Upgrade, under this Section, will result in the Interconnection Request being deemed withdrawn and subject to Section 3.8. The Interconnection Customer will provide the CAISO and the Participating TO with written notice that it has posted the required security no later than the applicable final day for posting.

No later than thirty (30) days after each Interconnection Customer sharing the Assigned Network Upgrade complies with this Section, the Participating TO will commence Construction Activities on the shared Assigned Network Upgrade.

* * * * *

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 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 executive dispute committee shall have five (5) Business Days to determine whether or not to restore the Interconnection Request. The CAISO may replace Vice Presidents unavailable during the five (5) Business Days with another CAISO Vice President. If the 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:

* * * * *

Appendix 3

CLUSTER STUDY AGREEMENT
FOR QUEUE CLUSTERS

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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.

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Appendix B

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

* * * * *

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*:

* 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: _____

Trial Operation Date:_____

Commercial Operation Date: _____

Level of Deliverability: Choose one of the following:

_____Energy Only

_____Full Capacity

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 of Appendix KK.

Appendix 4

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

* * * * *

4.3 Confidentiality: Confidential Information shall be treated in accordance with Section 15.1 of the RIS.

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Appendix LL

Large Generator Interconnection Agreement

for Interconnection Requests Processed under the Resource Interconnection Standards

(Appendix KK to the CAISO Tariff)

* * * * *

Article 1. Definitions

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Local Deliverability Constraint shall mean a transmission system operating limit modeled in the study process that would be exceeded if the CAISO were to assign full capacity or partial capacity deliverability status to one or more additional generating facilities interconnecting to the CAISO Controlled Grid in a specific local area, and that is not an Area Deliverability Constraint.

Local Delivery Network Upgrade shall mean a transmission upgrade or addition identified by the CAISO in the study process to relieve a Local Deliverability Constraint.

* * * * *

Merchant Network Upgrades - Network Upgrades constructed and owned by an Interconnection Customer or a third party pursuant to Article 5.1.5 of this LGIA, Section 14.3 of the RIS, and Sections 24.4.6.1 and 36.11 of the CAISO Tariff.

* * * * *

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Precursor Network Upgrades (PNU) shall mean Network Upgrades required for the Interconnection Customer consisting of (1) Network Upgrades assigned to an earlier Interconnection Customer in an earlier Queue Cluster, Independent Study Process, or Fast Track Process, that has executed its GIA; and (2) Network Upgrades in the approved CAISO Transmission Plan.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a

Party under this LGIA, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

RNU shall mean Reliability Network Upgrades.

Reliability Network Upgrades (RNU) shall mean the transmission facilities at or beyond the Point of Interconnection identified in the Interconnection Studies as necessary to interconnect one or more Generating Facility(ies) safely and reliably to the CAISO Controlled Grid, which would not have been necessary but for the interconnection of one or more Generating Facility(ies), including Network Upgrades necessary to remedy short circuit or stability problems, or thermal overloads. Reliability Network Upgrades shall only be deemed necessary for system operating limits, occurring under any system condition, which cannot be adequately mitigated through Congestion Management or Operating Procedures based on the characteristics of the Generating Facilities included in the Interconnection Studies, limitations on market models, systems, or information, or other factors specifically identified in the Interconnection Studies. Reliability Network Upgrades also include, consistent with WECC practice, the facilities necessary to mitigate any adverse impact the Generating Facility's interconnection may have on a path's WECC rating. Reliability Network Upgrades include Interconnection Reliability Network Upgrades and General Reliability Network Upgrades.

Resource Interconnection Standards (RIS) shall mean Appendix KK to the CAISO Tariff.

Scoping Meeting shall mean the meeting among representatives of the Interconnection Customer, the applicable Participating TO(s), and the CAISO conducted for the purpose of discussing the proposed Interconnection Request and any alternative interconnection options, exchanging information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options, refining information and models provided by Interconnection Customer(s), discussing the Cluster Study materials posted to OASIS pursuant to Section 3.5 of the RIS, and analyzing such information.

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Article 2. Effective Date, Term and Termination

* * * * *

2.4 Termination Costs. Immediately upon the other Parties' receipt of a notice of the termination of this LGIA pursuant to Article 2.3 above, the CAISO and the Participating TO will determine the total cost responsibility of the Interconnection Customer. If, as of the date of the other Parties' receipt of the notice of termination, the Interconnection Customer has not already paid its share of Network Upgrade costs, as set forth in Appendix G to this LGIA, the Participating TO will liquidate the Interconnection Customer's GIA Deposit associated with its cost responsibility for Network Upgrades, in accordance with Section 3.8 of the RIS.

The Interconnection Customer will also be responsible for all costs incurred or irrevocably committed to be incurred in association with the construction of the Participating TO's Interconnection Facilities (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment) and other such expenses, including any Distribution Upgrades for which the Participating TO or CAISO has incurred expenses or has irrevocably committed to incur expenses and has not been reimbursed by the Interconnection Customer, as of the date of the other Parties' receipt of the notice of termination, subject to the limitations set

forth in this Article 2.4. Nothing in this Article 2.4 shall limit the Parties' rights under Article 17. If, as of the date of the other Parties' receipt of the notice of termination, the Interconnection Customer has not already reimbursed the Participating TO and the CAISO for costs incurred to construct the Participating TO's Interconnection Facilities, the Participating TO will liquidate the Interconnection Customer's GIA Deposit associated with the construction of the Participating TO's Interconnection Facilities, in accordance with Section 3.8 of the RIS. If the amount of the GIA Deposit liquidated by the Participating TO under this Article 2.4 is insufficient to compensate the CAISO and the Participating TO for actual costs associated with the construction of the Participating TO's Interconnection Facilities contemplated in this Article, any additional amounts will be the responsibility of the Interconnection Customer, subject to the provisions of Section 3.8 of the RIS. Any such additional amounts due from the Interconnection Customer beyond the amounts covered by its GIA Deposit will be due to the Participating TO immediately upon termination of this LGIA in accordance with Section 3.8 of the RIS.

If the amount of the GIA Deposit exceeds the Interconnection Customer's cost responsibility under Section 3.8 of the RIS, any excess amount will be released to the Interconnection Customer in accordance with Section 3.8 of the RIS.

* * * * *

3.2 Agreement Subject to CAISO Tariff. The Interconnection Customer will comply with all applicable provisions of the CAISO Tariff, including the RIS.

* * * * *

4.6 TP Deliverability. To the extent that an Interconnection Customer is eligible for and has been allocated TP Deliverability, the Interconnection Customer's retention of such allocated TP Deliverability shall be contingent upon satisfying the obligations set forth in Section 8.9.3 of the RIS. In the event that the Interconnection does not retain allocated TP Deliverability with regard to any portion of the Generating Facility, such portion of the Generating Facility shall be deemed to receive Interconnection Service under this LGIA as Energy Only Deliverability Status.

* * * * *

5.1.5 Merchant Option. In addition to any Option to Build set forth in Article 5.1.3 of this LGIA, an Interconnection Customer under Section 4.2 of the RIS may elect to have a party other than the applicable Participating TO construct some or all of the LDNU and ADNU for which the Interconnection Customer has the obligation to fund and which are not subject to reimbursement. Such LDNU and ADNU will be constructed and 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.

* * * * *

5.10 Interconnection Customer's Interconnection Facilities. The Interconnection Customer shall, at its expense, design, procure, construct, own and install the Interconnection Customer's Interconnection Facilities, as set forth in Appendix A.

5.10.1 Large Generating Facility and Interconnection Customer's Interconnection Facilities Specifications. In addition to the Interconnection Customer's responsibility to submit technical data with its Interconnection Request, the Interconnection Customer shall submit all remaining necessary specifications for the Interconnection Customer's Interconnection Facilities and Large Generating Facility, including System Protection Facilities, to the Participating TO and the CAISO at least one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date; and final specifications for review and comment at least ninety (90) Calendar Days prior to the Initial Synchronization Date. The Participating TO and the CAISO shall review such specifications pursuant to this LGIA and the RIS to ensure that the Interconnection Customer's Interconnection Facilities and Large Generating Facility are compatible with the technical specifications, operational control, safety requirements, and any other applicable requirements of the Participating TO and the CAISO and comment on such specifications within thirty (30) Calendar Days of the Interconnection Customer's submission. All specifications provided hereunder shall be deemed confidential.

5.10.2 Participating TO's and CAISO's Review. The Participating TO's and the CAISO's review of the Interconnection Customer's final specifications shall not be construed as confirming, endorsing, or providing a warranty as to the design, fitness, safety, durability or reliability of the Large Generating Facility, or the Interconnection Customer's Interconnection Facilities. Interconnection Customer shall make such changes to the Interconnection Customer's Interconnection Facilities as may reasonably be required by the Participating TO or the CAISO, in accordance with Good Utility Practice, to ensure that the Interconnection Customer's Interconnection Facilities are compatible with the technical specifications, Operational Control, and safety requirements of the Participating TO or the CAISO.

5.10.3 Interconnection Customer's Interconnection Facilities Construction. The Interconnection Customer's Interconnection Facilities shall be designed and constructed in accordance with Good Utility Practice. Within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Participating TO and Interconnection Customer agree on another mutually acceptable deadline, the Interconnection Customer shall deliver to the Participating TO and CAISO "as-built" drawings, information and documents for the Interconnection Customer's Interconnection Facilities and the Electric Generating Unit(s), such as: a one-line diagram, a site plan showing the Large Generating Facility and the Interconnection Customer's Interconnection Facilities, plan and elevation drawings showing the layout of the Interconnection Customer's Interconnection Facilities, a relay functional diagram, relaying AC and DC schematic wiring diagrams and relay settings for all facilities associated with the Interconnection Customer's step-up transformers, the facilities connecting the Large Generating Facility to the step-up transformers and the Interconnection Customer's Interconnection Facilities, and the impedances (determined by factory tests) for the associated step-up transformers and the Electric Generating Units. The Interconnection Customer shall provide the Participating TO and the CAISO specifications for the excitation system, automatic voltage regulator, Large Generating Facility control and protection settings, transformer tap settings, and communications, if applicable. Any deviations from the relay settings, machine specifications, and other specifications originally submitted by the Interconnection Customer shall be assessed by the

Participating TO and the CAISO pursuant to the appropriate provisions of this LGIA and the RIS.

5.10.4 Interconnection Customer to Meet Requirements of the Participating TO's Interconnection Handbook. The Interconnection Customer shall comply with the Participating TO's Interconnection Handbook.

* * * * *

5.16 Suspension. The Interconnection Customer may request to suspend at any time all work associated with the construction and installation of the Participating TO's Interconnection Facilities, Network Upgrades, and/or Distribution Upgrades required under this LGIA, other than Network Upgrades identified in the Interconnection Facilities Study as common to multiple generating facilities. Interconnection Customers seeking to suspend construction will provide the CAISO and Participating TO a request for assessment pursuant to Section 6.7.2 of the RIS, a modification assessment deposit, and an anticipated end date of the suspension. Interconnection Customers may request a suspension for the maximum amount of time in lieu of providing an anticipated end date. The CAISO and Participating TO will approve suspension requests where:

(a) the Participating TO's electrical system and the CAISO Controlled Grid can be left in a safe and reliable condition in accordance with Good Utility Practice, the Participating TO's safety and reliability criteria, and Applicable Reliability Standards; and

(b) the CAISO and Participating TO determine the suspension will not result in a Material Modification.

For any suspension that will extend the Commercial Operation Date beyond seven (7) years from the date the Interconnection Request is received by the CAISO, the Interconnection Customer must satisfy the commercial viability criteria in Section 6.7.4 of the RIS.

During suspension, the Interconnection Customer may request to extend or shorten their suspension period, consistent with the maximum period provided in this Article. The CAISO and Participating TO will approve such requests where they meet criteria (a) and (b), above. Requests to extend or shorten extensions will require a new modification assessment request and deposit. The Interconnection Customer shall be responsible for all reasonable and necessary costs for suspension for which the Participating TO (i) has incurred pursuant to this LGIA prior to the suspension and (ii) incurs 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 Participating TO's electric system during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which the Participating TO cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, the Participating TO shall obtain Interconnection Customer's authorization to do so.

Network Upgrades common to multiple generating facilities, and to which the Interconnection Customer's right of suspension shall not extend, consist of Network Upgrades identified for:

(i) generating facilities which are the subject of all Interconnection Requests made prior to the Interconnection Customer's Interconnection Request;
(ii) generating facilities which are the subject of Interconnection Requests within the Interconnection Customer's queue cluster; and
(iii) generating facilities that are the subject of Interconnection Requests that were

made after the Interconnection Customer's Interconnection Request but no later than the date on which the Interconnection Customer's Interconnection Facilities Study Report is issued, and have been modeled in the Base Case at the time the Interconnection Customer seeks to exercise its suspension rights under this Article.

The Participating TO shall invoice the Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs. In the event Interconnection Customer suspends work required under this LGIA pursuant to this Article 5.16, and has not requested the Participating TO to recommence the work or has not itself recommenced work required under this LGIA in time to ensure that the new projected Commercial Operation Date for the full Generating Facility Capacity of the Large Generating Facility is no more than three (3) years from the Commercial Operation Date identified in Appendix B hereto, this LGIA shall be deemed terminated and the Interconnection Customer's responsibility for costs will be determined in accordance with Article 2.4 of this LGIA. The suspension period shall begin on the date the Interconnection Customer provides in its request, if approved. Ninety (90) days before the anticipated end date of the suspension, the Participating TO and the CAISO will tender an amended draft LGIA with new construction milestones. The Parties agree to negotiate the amended draft LGIA in good faith such that it can be executed by the end of the suspension.

* * * * *

5.20 Annual Reassessment Process. In accordance with Section 7 of the RIS, the CAISO will perform an annual reassessment, as part of a queue cluster interconnection study cycle, in which it will update certain base case data. As set forth in Section 7, the CAISO may determine through this assessment that Delivery Network Upgrades and Off-Peak Network Upgrades already identified and included in executed generator interconnection agreements should be modified in order to reflect the current circumstances of interconnection customers in the queue, including any withdrawals therefrom, and any additions and upgrades approved in the CAISO's most recent TPP cycle. To the extent that this determination modifies the scope or characteristics of, or the cost responsibility for, any Delivery Network Upgrades and Off-Peak Network Upgrades set forth in Appendix A to this LGIA, such modification(s) will be reflected through an amendment to this LGIA.

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11.3 Network Upgrades and Distribution Upgrades. The Participating TO shall design, procure, construct, install, and own the Network Upgrades and Distribution Upgrades described in Appendix A, except for Stand Alone Network Upgrades, which will be constructed, and if agreed to by the Parties owned by the Interconnection Customer, and Merchant Network Upgrades. The Interconnection Customer shall be responsible for all costs related to Distribution Upgrades. Network Upgrades shall be funded by the Interconnection Customer, which for Interconnection Customers processed under Section 6 of the RIS (in Queue Clusters) shall be in an amount determined pursuant to the methodology set forth in Section 6.3 of the RIS. This specific amount is set forth in Appendix G to this LGIA. For costs associated with Area Delivery Network Upgrades, any amounts set forth in Appendix G will be advisory estimates only, and will not operate to establishing any cap or Maximum Cost Exposure on the cost responsibility of the

Interconnection Customer for Area Delivery Network Upgrades.

11.4 Transmission Credits. No later than thirty (30) Calendar Days prior to the Commercial Operation Date, the Interconnection Customer may make a one-time election by written notice to the CAISO and the Participating TO to (a) receive Congestion Revenue Rights as defined in and as available under the CAISO Tariff at the time of the election in accordance with the CAISO Tariff, in lieu of a repayment of the cost of Network Upgrades in accordance with Article 11.4.1, and/or (b) decline all or part of a refund of the cost of Network Upgrades entitled to the Interconnection Customer in accordance with Article 11.4.1.

11.4.1 Repayment of Amounts Advanced for Network Upgrades.

11.4.1.1 Repayment of Amounts Advanced Regarding Non-Phased Generating Facilities

An Interconnection Customer with a non-Phased Generating Facility shall 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.

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 Network Upgrades not refunded to the Interconnection Customer pursuant to Article 5.17.8 or otherwise, and shall be paid to the Interconnection Customer by the Participating TO 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 Article 11.4.1.1; 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. Notwithstanding the foregoing, if this LGIA terminates within five (5) years of the applicable commencement date, the Participating TO's obligation to pay refunds to the Interconnection Customer shall cease as of the date of termination.

Where the Interconnection Customer finances the construction of Network Upgrades for more than one Participating TO, the cost allocation, GIA Deposit, and repayment will be conducted pursuant to Section 14.4.1 of the RIS, and set forth in Appendix G.

An Interconnection Customer subject to this Article 11.4.1.1 shall be entitled to repayment for its contribution to the cost of Network Upgrades as follows:

(a) For Reliability Network Upgrades, the Interconnection Customer shall be entitled to a repayment of the amount paid by the Interconnection Customer for Reliability Network Upgrades as set forth in Appendix G, up to a maximum amount established in Section 14.3.2.1 of the RIS. Interconnection Customers interconnecting pursuant to Section 4.4 of the RIS are ineligible for cash repayment. For purposes of this

determination, generating capacity will be based on the capacity of the Interconnection Customer's Generating Facility at the time it achieves Commercial Operation. To the extent that such repayment does not cover all of the costs of Interconnection Customer's Reliability Network Upgrades, including for Interconnection Customers interconnecting pursuant to Section 4.4 of the RIS, the Interconnection Customer shall receive Merchant Transmission CRRs for that portion of its Reliability Network Upgrades that are not covered by cash repayment.

(b) For Local Delivery Network Upgrades, the Interconnection Customer shall be entitled to repayment of a portion of the total amount paid to the Participating TO for the costs of Local Delivery Network Upgrades for which it is responsible, as set forth in Appendix G. The repayment amount shall be determined by dividing the amount of TP Deliverability received by the amount of deliverability requested by the Interconnection Customer, and multiplying that percentage by the total amount paid to the Participating TO by the Interconnection Customer for Local Delivery Network Upgrades.

(c) For Area Delivery Network Upgrades, the Interconnection Customer shall not be entitled to repayment for the costs of Area Delivery Network Upgrades. An Interconnection Customer interconnecting pursuant to Section 4.2 of the RIS that financed Area Delivery Network Upgrades will be eligible for Merchant Transmission CRRs pursuant to Section 36.11 of the CAISO Tariff.

(d) If an Interconnection Customer constructs and owns Network Upgrades pursuant to the Merchant Option set forth in Article 5.15 of this LGIA, then the Interconnection Customer shall not be entitled to any repayment pursuant to this LGIA.

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11.4.1.4 [Not Used]

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Appendix H

INTERCONNECTION REQUIREMENTS FOR AN ASYNCHRONOUS GENERATING FACILITY

Appendix H sets forth interconnection requirements specific to all Asynchronous Generating Facilities.

Except as provided in Section 25.4.2 of the CAISO tariff, existing individual generating units of an Asynchronous Generating Facility that are, or have been, interconnected to the CAISO Controlled Grid at the same location are exempt from the requirements of this Appendix H for the remaining life of the existing generating unit.

A. Technical Requirements Applicable to Asynchronous Generating Facilities

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vi. Transient Data Recording Equipment for Facilities

Asynchronous Generating Facilities must monitor and record data for all frequency ride-through events, transient low voltage disturbances that initiated reactive current injection, reactive current injection or momentary cessation for transient high voltage disturbances, and inverter trips. The data may be recorded and stored in a central plant control system. The following data must be recorded:

Plant Level:

(1) Plant three phase voltage and current
(2) Status of ancillary reactive devices
(3) Status of all plant circuit breakers
(4) Status of plant controller
(5) Plant control set points
(6) Position of main plant transformer no-load taps
(7) Position of main plant transformer tap changer (if extant)
(8) Protective relay trips or relay target data

Inverter Level:

(1) Frequency, current, and voltage during frequency ride-through events
(2) Voltage and current during momentary cessation for transient high voltage events (when used)
(3) Voltage and current during reactive current injection for transient low or high voltage events
(4) Inverter alarm and fault codes
(5) DC current
(6) DC voltage

The data must be time synchronized, using a GPS clock or similar device, to a one millisecond level of resolution. All data except phase angle measuring unit data must be sampled at least every ten (10) milliseconds. Data recording must be triggered upon detecting a frequency ride-through event, a transient low voltage disturbance that initiated reactive current injection, momentary cessation or reactive current injection for a transient high voltage disturbance, or an inverter trip. Each recording will include as a minimum one hundred fifty (150) milliseconds of data prior to the triggering event, and 1000 milliseconds of data after the event trigger. The Asynchronous Generating Facility must store this data for a minimum of thirty (30) days. The Asynchronous Generating Facility will provide all data within ten (10) calendar days of a request from the CAISO or the Participating TO.

The Asynchronous Generating Facility must install and maintain a phase angle measuring unit or functional equivalent at the entrance to the facility or at the Generating Facility's main substation

transformer. The phase angle measuring unit must have a resolution of at least 16 samples per cycle. The Asynchronous Generating Facility will store this data for a minimum of thirty (30) days. The Asynchronous Generating Facility will provide all phase angle measuring unit data within ten (10) calendar days of a request from the CAISO or the Participating TO.

Appendix MM
Small Generator Interconnection Agreement for Interconnection Requests Processed Under the Resource Interconnection Standards
(Appendix KK to the CAISO Tariff)

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5.3 Transmission Credits

No later than thirty (30) calendar days prior to the Commercial Operation Date, the Interconnection Customer may make a one-time election by written notice to the CAISO and the Participating TO to (a) receive Congestion Revenue Rights as defined in and as available under the CAISO Tariff at the time of the election in accordance with the CAISO Tariff, in lieu of a repayment of the cost of Network Upgrades in accordance with Article 5.3.1, and/or (b) decline all or a part of a refund of the cost of Network Upgrades entitled to the Interconnection Customer in accordance with Article 5.3.1.

5.3.1 Repayment of Amounts Advanced for Network Upgrades

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5.3.1.4 [Not Used]

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Attachment 7

Interconnection Requirements for an Asynchronous Small Generating Facility

Attachment 7 sets forth requirements and provisions specific to all Asynchronous Generating Facilities. Except as provided in Section 25.4.2 of the CAISO Tariff, existing individual Generating Units of an Asynchronous Generating Facility that are, or have been, interconnected to the CAISO Controlled Grid at the same location are exempt from the requirements of this Attachment 7 for the remaining life of the existing Generating Unit.

A. Technical Standards Applicable to Asynchronous Generating Facilities

i. Voltage Ride-Through Capability

An Asynchronous Generating Facility shall be able to remain online during voltage disturbances up to the time periods and associated voltage levels set forth in the requirements below.

1. An Asynchronous Generating Facility shall remain online for the voltage disturbance caused by any fault on the transmission grid, or within the

Asynchronous Generating Facility between the Point of Interconnection and the high voltage terminals of the Asynchronous Generating Facility's step up transformer, having a duration equal to the lesser of the normal three-phase fault clearing time (4-9 cycles) or one-hundred fifty (150) milliseconds, plus any subsequent post-fault voltage recovery to the final steady-state post-fault voltage unless clearing the fault effectively disconnects the generator from the system. Clearing time shall be based on the maximum normal clearing time associated with any three-phase fault location that reduces the voltage at the Asynchronous Generating Facility's Point of Interconnection to 0.2 per-unit of nominal voltage or less, independent of any fault current contribution from the Asynchronous Generating Facility.

2. An Asynchronous Generating Facility shall remain online for any voltage disturbance caused by a single-phase fault on the transmission grid, or within the Asynchronous Generating Facility between the Point of Interconnection and the high voltage terminals of the Asynchronous Generating Facility's step up transformer, with delayed clearing, plus any subsequent post-fault voltage recovery to the final steady-state post-fault voltage unless clearing the fault effectively disconnects the generator from the system. Clearing time shall be based on the maximum backup clearing time associated with a single point of failure (protection or breaker failure) for any single-phase fault location that reduces any phase-to-ground or phase-to-phase voltage at the Asynchronous Generating Facility's Point of Interconnection to 0.2 per-unit of nominal voltage or less, independent of any fault current contribution from the Asynchronous Generating Facility.

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vi. Transient Data Recording Equipment for Facilities

Asynchronous Generating Facilities must monitor and record data for all frequency ride-through events, transient low voltage disturbances that initiated reactive current injection, reactive current injection or momentary cessation for transient high voltage disturbances, and inverter trips. The data may be recorded and stored in a central plant control system. The following data must be recorded:

Plant Level:

(1) Plant three phase voltage and current
(2) Status of ancillary reactive devices
(3) Status of all plant circuit breakers
(4) Status of plant controller
(5) Plant control set points
(6) Position of main plant transformer no-load taps
(7) Position of main plant transformer tap changer (if extant)
(8) Protective relay trips or relay target data

Inverter Level:

(1) Frequency, current, and voltage during frequency ride-through events
(2) Voltage and current during momentary cessation for transient high

voltage events (when used)

(3) Voltage and current during reactive current injection for transient low or high voltage events

(4) Inverter alarm and fault codes

(5) DC current

(6) DC voltage

The data must be time synchronized, using a GPS clock or similar device, to a one millisecond level of resolution. All data except phase angle measuring unit data must be sampled at least every 10 milliseconds. Data recording must be triggered upon detecting a frequency ride-through event, a transient low voltage disturbance that initiated reactive current injection, momentary cessation or reactive current injection for a transient high voltage disturbance, or an inverter trip. Each recording will include as a minimum 150 milliseconds of data prior to the triggering event, and 1000 milliseconds of data after the event trigger. The Asynchronous Generating Facility must store this data for a minimum of 30 days. The Asynchronous Generating Facility will provide all data within 10 calendar days of a request from the CAISO or the Participating TO.

The Asynchronous Generating Facility must install and maintain a phase angle measuring unit or functional equivalent at the entrance to the facility or at the Generating Facility's main substation transformer. The phase angle measuring unit must have a resolution of at least sixteen (16) samples per cycle. The Asynchronous Generating Facility will store this data for a minimum of thirty (30) days. The Asynchronous Generating Facility will provide all phase angle measuring unit data within 10 calendar days of a request from the CAISO or the Participating TO.

Attachment B – Marked Tariff

Interconnection Process Enhancements Initiative (IPE 5) Tariff Amendment

California Independent System Operator Corporation

June 5, 2026

Section 25

25. Interconnection of Generating Units and Facilities

25.1 Applicability

This Section 25 applies to:

(a) each new Generating Unit that seeks to interconnect to the CAISO Controlled Grid;

(b) each existing Generating Unit connected to the CAISO Controlled Grid that will be modified with a resulting increase in the total capability of the power plant;

(c) each existing Generating Unit connected to the CAISO Controlled Grid that will be modified without increasing the total capability of the power plant but has changed the electrical characteristics of the power plant such that its re-energization may violate Applicable Reliability Criteria;

(d) each existing Generating Unit connected to the CAISO Controlled Grid whose total Generation was previously sold to a Participating TO or on-site customer but whose Generation, or any portion thereof, will now be sold in the wholesale market, subject to Section 25.1.2;

(e) each existing Generating Unit that is a Qualifying Facility and that is converting to a Participating Generator without repowering or reconfiguring the existing Generating Unit, subject to Section 25.1.2;

(f) each existing Generating Unit connected to the CAISO Controlled Grid that proposes to repower its Generating Unit pursuant to Section 25.1.2; and

(g) Generating Units interconnecting to the CAISO Controlled Grid over a Subscriber Participating TO transmission facilities using Subscriber Rights are required to apply for TP Deliverability under Section 25.1 once (1) the Subscriber Participating TO transmission facilities have completed their transmission interconnection studies with all interconnecting Transmission Owner(s), (2) Subscriber(s) have executed the Generator Interconnection Agreement, (3) the Subscriber Participating TO has committed to proceed with Construction Activities regarding the Subscriber Participating TO transmission facilities, and (4) the applicant provides a notice in writing to the applicable

interconnecting Transmission Owners that it is proceeding with Construction Activities. Once these criteria have been completed, the Generating Unit must apply as follows:

(1) each Generating Unit possessing Subscriber Rights and receiving Deliverability from TPP-approved Network Upgrades shall apply for TP Deliverability allocation through the submission of a Subscriber Participating TO-specific deliverability allocation request ~~subject to Appendix DD, Section 8.9~~ and does not submit an Interconnection Request under Section 25;

(2) each Generating Unit that does not meet the criteria under Section 25.1(g)(1) shall be treated in accordance with Section 25.1(a).

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Appendix DD

Generator Interconnection and Deliverability Allocation Procedures (GIDAP)

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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 or Generating Unit 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, and deliverability status in common with the Interconnection Customer and GIA;

c) Demonstrating Site Exclusivity for 100% of the property necessary to construct the facility through the Commercial Operation Date requested in the modification request. A Site Exclusivity 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.

Interconnection Customers that satisfied these commercial viability criteria before November 27, 2018 on the basis of balance-sheet or binding financing may continue to do so in their annual review. The CAISO's agreement to an extension of the proposed Commercial Operation Date does not relieve the Interconnection Customer from compliance with this GIDAP or the GIA, including without limitation ~~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 GIDAP.

~~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 Interconnection Financial~~

~~Security 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.~~

If an Interconnection Customer satisfies all the commercial viability criteria except criterion (b), the CAISO will postpone ~~converting~~ withdrawing 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 may exercise this provision only once. 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~~withdraw 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~~withdrawn.

~~However, w~~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~~be Full Capacity Deliverability Status.

Interconnection Customers in Queue Cluster 7 and beyond whose Phase II Interconnection 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 Phase II 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~~CAISO will deem them withdrawn pursuant to Section 3.8. Interconnection Customers will not be subject to annual review requirements in any year the Participating TO unilaterally extends their Commercial Operation Date, but will resume compliance the following year.

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~~Revisions; Revised Study Report

Should the CAISO discover, through written comments submitted by an Interconnection Customer or otherwise, that a final Phase I or Phase II Interconnection Study Report (which can mean a final Phase I or Phase II Interconnection Study Report for cluster studies or a final system impact and facilities report for the Independent Study Process) contains a substantial ~~error or omission~~revision, the CAISO will cause a revised final report to be issued to the Interconnection Customer.

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

(i) ~~understatement or overstatement~~ an increase of the Interconnection Customer's Current Cost Responsibility, Maximum Cost Responsibility, Maximum Cost Exposure, and Participating TO Interconnection Facilities 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 by the counterparty.

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~~revision 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~~revisions.

6.8.2 Other ~~Errors or Omissions~~Revisions; Addendum

If ~~an error or omission~~a revision in an Interconnection Study report (for either the cluster process or Independent Study Process) is not a substantial ~~error or omission~~revision, the CAISO shall not issue a revised final Interconnection Study report, although the ~~error or omission~~revision may result in an adjustment of the corresponding Interconnection Financial Security. Rather, the CAISO shall document such ~~error or omission~~revision 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~~Revisions Adjust Posting Dates

~~Only substantial errors and omissions related to the Phase I and Phase II 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~~revision found after the second Interconnecti~~on~~ng Financial Security posting will not ~~impact~~ increase the Interconnection Customer's ~~Assigned~~ Current 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 set forth in Section 11. In the case of a substantial error or omission resulting in the issuance of a revised final Phase I or Phase II Interconnection Study 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 Section 11, subject to refund in the event that the Interconnection Customer prevails in the dispute.~~

6.8.4 Substantial ~~Errors or Omissions~~Revisions Allowing Refunds

Notwithstanding Sections 3.5.1 and 11.4, after the Interconnection Customer has posted its Initial Interconnection Financial Security, it is eligible for a one-hundred percent (100%) refund of its remaining, unspent Interconnection Financial Security and all remaining, unspent Interconnection Study Deposit funds if:

(i) it receives a substantial ~~error or omission~~revision; 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 by the counterparty resulting from the ~~substantial error or omission~~revision, as applicable.

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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 e~~Executive d~~D~~ispute c~~C~~ommittee, consisting of the Vice President responsible for administration of this GIDAP, the CAISO Vice President responsible for customer affairs, and an additional Vice President. The CAISO may replace Vice Presidents unavailable during the five (5) Business Days with another CAISO Vice President. The ~~GIDAP e~~Executive d~~D~~ispute c~~C~~ommittee shall have five (5) Business Days to determine whether or not to restore the Interconnection Request. If the ~~GIDAP e~~Executive d~~D~~ispute c~~C~~ommittee concludes that the Interconnection Request should have been withdrawn, the Interconnection Customer may seek relief in accordance with the CAISO ADR Procedures.

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Appendix EE

Large Generator Interconnection Agreement

for Interconnection Requests Processed under the Generator Interconnection and Deliverability Allocation Procedures (Appendix DD of the CAISO Tariff)

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5.16 Suspension. The Interconnection Customer may request to suspend at any time all work associated with the construction and installation of the Participating TO's Interconnection Facilities, Network Upgrades, and/or Distribution Upgrades required under this LGIA, other than Network Upgrades identified in the Phase II Interconnection Study as common to multiple generating facilities. Interconnection Customers seeking to suspend construction will provide the CAISO and Participating TO a request for assessment pursuant to Section 6.7.2 of the GIDAP, a modification assessment deposit, and an anticipated end date of the suspension. Interconnection Customers may request a suspension for the maximum amount of time in lieu of providing an anticipated end date. The CAISO and Participating TO will approve suspension requests where:

(a) the Participating TO's electrical system and the CAISO Controlled Grid can be left in a safe and reliable condition in accordance with Good Utility Practice, the Participating TO's safety and reliability criteria, and Applicable Reliability Standards; and

(b) the CAISO and Participating TO determine the suspension will not result in a Material Modification.

For any suspension that will extend the Commercial Operation Date beyond seven (7) years from the date the Interconnection Request is received by the CAISO, the Interconnection Customer must satisfy the commercial viability criteria in Section 6.7.4 of the GIDAP.

During suspension, the Interconnection Customer may request to extend or shorten their suspension period, consistent with the maximum period provided in this Article. The CAISO and Participating TO will approve such requests where they meet criteria (a) and (b), above. Requests to extend or shorten extensions will require a new modification assessment request and deposit. The Interconnection Customer shall be responsible for all reasonable and necessary costs for suspension for which the Participating TO (i) has incurred pursuant to this LGIA prior to the suspension and (ii) incurs 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 Participating TO's electric system during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which the Participating TO cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, the Participating TO shall obtain Interconnection Customer's authorization to do so.

Network Upgrades common to multiple generating facilities, and to which the Interconnection Customer's right of suspension shall not extend, consist of Network Upgrades identified for:

(i) generating facilities which are the subject of all Interconnection Requests made prior to the Interconnection Customer's Interconnection Request;
(ii) generating facilities which are the subject of Interconnection Requests within the Interconnection Customer's queue cluster; and
(iii) generating facilities that are the subject of Interconnection Requests that were made after the Interconnection Customer's Interconnection Request but no later

than the date on which the Interconnection Customer's Phase II Interconnection Study Report is issued, and have been modeled in the Base Case at the time the Interconnection Customer seeks to exercise its suspension rights under this Article.

The Participating TO shall invoice the Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs. In the event Interconnection Customer suspends work required under this LGIA pursuant to this Article 5.16, and has not requested the Participating TO to recommence the work or has not itself recommenced work required under this LGIA in time to ensure that the new projected Commercial Operation Date for the full Generating Facility Capacity of the Large Generating Facility is no more than three (3) years from the Commercial Operation Date identified in Appendix B hereto, this LGIA shall be deemed terminated and the Interconnection Customer's responsibility for costs will be determined in accordance with Article 2.4 of this LGIA. The suspension period shall begin on the date the Interconnection Customer provides in its request, if approved. Ninety (90) days before the anticipated end date of the suspension, the Participating TO and the CAISO will tender an amended draft LGIA with new construction milestones. The Parties agree to negotiate the amended draft LGIA in good faith such that it can be executed by the end of the suspension.

Interconnection Customer subject to Section 8.9.2.2 of Appendix DD may not request suspension.

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11.4.1.4 [Not Used] ~~Failure to Achieve Commercial Operation~~

~~If the Large Generating Facility fails to achieve Commercial Operation, but it or another generating facility is later constructed and makes use of the Network Upgrades, the Participating TO shall at that time reimburse Interconnection Customer for the amounts advanced for the Network Upgrades. Before any such reimbursement can occur, the Interconnection Customer, or the entity that ultimately constructs the generating facility, if different, is responsible for identifying and demonstrating to the Participating TO the appropriate entity to which reimbursement must be made in order to implement the intent of this reimbursement obligation.~~

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5.3 Transmission Credits

No later than thirty (30) calendar days prior to the Commercial Operation Date, the Interconnection Customer may make a one-time election by written notice to the CAISO and the Participating TO to (a) receive Congestion Revenue Rights as defined in and as available under the CAISO Tariff at the time of the election in accordance with the CAISO Tariff, in lieu of a repayment of the cost of Network Upgrades in accordance with Article 5.3.1, and/or (b) decline all or a part of a refund of the cost of Network Upgrades entitled to the Interconnection Customer in accordance with Article 5.3.1.

5.3.1 Repayment of Amounts Advanced for Network Upgrades

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5.3.1.4 [Not Used]~~Failure to Achieve Commercial Operation~~

~~If the Small Generating Facility fails to achieve commercial operation, but it or another generating facility is later constructed and makes use of the Network Upgrades, the Participating TO shall at that time reimburse Interconnection Customer for the amounts advanced for the Network Upgrades. Before any such reimbursement can occur, the Interconnection Customer, or the entity that ultimately constructs the generating facility, if different, is responsible for identifying the entity to which reimbursement must be made.~~

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Appendix KK

Resource Interconnection Standards (RIS)

Section 1 Objectives And Applicability

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1.3 [Not Used] ~~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)~~

~~**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.~~

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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 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 or, 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~~ After 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 ~~forward a copy of~~provide access to the Interconnection Request to the applicable Participating TO within five (5) Business Days of ~~receipt~~when the Interconnection Customer satisfies the Cluster Study criteria under Section 4 of this RIS.

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 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 ten (10) days after the close of the Cluster Application 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 within the same Transmission Zone. 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.

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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 forms of Appendix 1 and Appendix 2, 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, bump test plot, voltage reference step change test plot, frequency reference step change test, and a voltage ride-through 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 submitted to the Participating TO 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 Participating TO under Section 11.1 of this RIS. This Commercial Readiness Deposit is refunded to Interconnection Customer according to Section 3.8 of this RIS.~~

(xi~~i~~) 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.

(xii~~i~~) All supporting documentation required for the Interconnection Customer's selections on Appendix 2, as required by Section 4 of this RIS.

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.

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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. Notwithstanding, for any extension that will extend the Commercial Operation Date beyond seven (7) years from the date the Interconnection Request is received by the CAISO, the Interconnection Customer must satisfy the commercial viability criteria in Section 6.7.4.

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.

3.5.1.6 Commercial Readiness Deposit.

After notification that the Interconnection has satisfied the Cluster Study criteria

in Section 4 of this RIS, and before the close of the Customer Engagement Window, the Interconnection Customer must submit a Commercial Readiness Deposit to the Participating TO 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 Participating TO under Section 11.1 of this RIS. This Commercial Readiness Deposit may be refunded to the Interconnection Customer according to Section 3.8 of this RIS.

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 Scoping Meetings with all interested Interconnection Customers. Scoping Meetings will be segregated by Transmission Zone and Cluster Study criteria. 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 (1) deemed valid, (2) that have executed a Cluster Study Agreement in the form of Appendix 3 to this RIS, ~~and~~ (3) that have satisfied the Cluster Study criteria in Section 4, and (4) that submitted a Commercial Readiness Deposit 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 will validate Interconnection Requests that satisfy the Cluster Study criteria in Section 4 of this RIS. 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 satisfies the Cluster Study criteria, whichever is later. All Interconnection Requests must be 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.

3.5.4 Scoring Process

Pursuant to Section 4 of this RIS, the CAISO will score Interconnection Requests to determine their eligibility for the Cluster Study. The CAISO will provide Load Serving Entities with a list of Interconnection Requests after the close of the Cluster Application Window. Load Serving Entities submitting commercial interest points must do so no later than ten (10) days after the CAISO provides the list of Interconnection Requests.

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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) The m~~M~~ean 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;

(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~~ eighty (1850) ~~Calendar~~ dDays after the ~~close of the Customer Engagement Window~~Cluster Study Report Meeting;

(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~~ eighty (185~~0~~) 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 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;~~

(E~~F~~) The ~~N~~number of Interconnection Requests withdrawn from the CAISO's interconnection queue after execution of a GIA or Interconnection Customer requests the filing of an unexecuted, new GIA;

(F~~G~~) The m~~M~~ean 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.

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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~~interconnection queue on the CAISO Website; (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.

* * * * *

3.10 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:

* * * * *

(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;

Section 4 Cluster Study Criteria

Only those Interconnection Requests that meet the criteria in this Section 4 will proceed to the Cluster Study. Any Interconnection Requests that do not meet the criteria or otherwise fail to comply with this Section 4 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.

Each Interconnection Request can proceed to the Cluster Study based on one set of criteria only: the criteria for Deliverability in Deliverable Zones, Deliverability in Merchant Zones, Energy Only eligible for cash reimbursement, or Energy Only ineligible for cash reimbursement. Interconnection Requests seeking any Deliverability for any technology or Generating Unit at the Generating Facility will be subject to the criteria for Interconnection Requests for Deliverability. Interconnection Customers may not change their selected criteria after the Cluster Application Window.

Interconnection Requests that proceed to the Cluster Study based on the criteria for Energy Only Interconnection Requests may not obtain Deliverability for that Generating Facility and any associated Generating Units thereafter, including without limitation through transfers, modifications, or the TP Deliverability allocation process. Expansions to Energy Only Generating Facilities may receive Deliverability if their Interconnection Requests proceed to the Cluster Study based on the criteria for Interconnection Requests seeking Deliverability.

All scoresheets, documentation, and bids submitted will be Confidential Information consistent with Section 15.1 of this RIS. Notwithstanding, the CAISO may confirm any information as necessary with Load Serving Entities, counterparties, or Local Regulatory Authorities. The CAISO will notify the Interconnection Customer which screen was decisive to its Interconnection Request. The CAISO may publish composite data but will not publish or disclose which criteria or screen enabled individual Interconnection Requests to proceed to the Cluster Study. The CAISO will publish on the CAISO Website the number of bids and the clearing price of all winning bids for

each Transmission Zone, but will not publish the names of any Interconnection Customers in the auctions or their corresponding bids.

4.1 Criteria for Requests for Deliverability in Deliverable Zones

Interconnection Requests in Deliverable Zones seeking any Deliverability will proceed to the Cluster Study only where they pass the screens of this Section.

1) There must be Deliverability available at the Interconnection Customer's Point of Interconnection.
2) If other Interconnection Customers in the Cluster are interconnecting in the same Deliverable Zone, and pass step one, only Interconnection Customers comprising one hundred fifty percent (150%) of the available Deliverability at their relevant Transmission Constraint may proceed to the Cluster Study. Interconnection Customers' capacity relevant to the available Deliverability will be based on their requested amount of Deliverability.
3) If two or more Interconnection Customers would exceed the 150% limit, only the highest-scoring Interconnection Customers that reach the 150% limit proceed to the Cluster Study. The CAISO may exceed the 150% limit only for the capacity of the last Interconnection Request that qualifies to reach the limit but which also would exceed it. To determine which Interconnection Customers proceed to the Cluster Study, the CAISO will score Interconnection Customers pursuant to Section 4.1.1 of this RIS.
4) If Interconnection Customers with the same scores would exceed the 150% limit, the CAISO will use those Interconnection Customers with the lowest distribution factors until it reaches the 150% limit. The distribution factor is the percentage of the Interconnection Customer's incremental increase in output that flows on a particular transmission line or transformer when the displaced generation is spread proportionally across all dispatched resources in the ~~Control~~ Balancing Authority Area.
5) If Interconnection Customers with the same scores and same distribution factors would together exceed the 150% limit, the CAISO will auction the right for those Interconnection Customers to be studied pursuant to Section 4.1.2 of this RIS.

4.1.1 Scoring Criteria

Each Interconnection Customer's score under Section 4.1 will be the sum of its points based on three criteria: (1) commercial interest (up to 30 points), (2) project viability (up to 35 points), and (3) system need (up to 35 points). The Interconnection Customer will submit a scoresheet providing its points in its Interconnection Request consistent with Section 3.5. Interconnection Customers will receive sub-points toward the points in the three criteria as follows:

1) An Interconnection Customer may receive up to 30 points for commercial interest based on its ratio of sub-points to 100. The Interconnection Customer's sub-points may consist of (a) Load Serving Entity point allocations (up to 100 sub-points) or a Load Serving Entity full allocation (100 sub-points); and (b) an affidavit from a counterparty that is not a Load Serving Entity (up to 25 sub-points). Points from multiple Load Serving Entities may be combined to achieve up to 100 sub-points. Interconnection Customers may not combine affidavits from multiple counterparties that are not Load Serving Entities, but may combine point allocations from Load Serving Entities with an affidavit from a counterparty that is not a Load Serving Entity.

   Load Serving Entities will provide the CAISO their point allocations consistent with Section 3.5. The Interconnection Customers will receive up to 100 sub-points in the commercial interest category based on the ratio of its requested Interconnection Service Capacity at the Point of Interconnection to the number of points allocated to it from the Load Serving Entity.

If a Load Serving Entity lacks sufficient points to match the capacity of one project, or otherwise elects, it may indicate a full allocation to a project in lieu of allocating any of its points in that Cluster Application Window. A Load Serving Entity exercising this option can select one Interconnection Request only per Cluster Application Window, and the Interconnection Customer's Interconnection Service Capacity may not exceed the lesser of 500 MW or 50% of the Load Serving Entity's load according to the California Energy Commission's most recent coincident peak demand forecasts of Resource Adequacy load share ~~one hundred fifty percent (150%) of that Load Serving Entity's points allocation~~. Multiple Load Serving Entities may elect to exercise this option jointly for a single Interconnection Request ~~less than~~up to their aggregate maximum capacity under this provision ~~one hundred fifty percent (150%) of their aggregate points~~. An Interconnection Request with a full allocation will receive 100 sub-points in the commercial interest category.

Affidavits from non-Load Serving Entities must be executed by an authorized representative. The affidavit must attest ~~the counterparty is supporting the Interconnection Request in support of corporate policy goals on sustainability;~~ the capacity of the Interconnection Request aligns with its individual needs; the counterparty and its holding company, if any, is not affiliated with the Interconnection Customer or its holding company; and that the counterparty and its holding company and affiliates support this Interconnection Request only, and no other Interconnection Requests in this Cluster Application Window.

2) An Interconnection Customer may receive up to 35 points for project viability based on its ratio of sub-points to 100. The Interconnection Customer's sub-points may include up to 50 sub-points for an engineering design plan of the Generating Facility, and up to 50 sub-points for expanding a Generating Facility. The Interconnection Customers will receive up to 50 sub-points for an engineering design plan based on the percent the plan is complete, with each percentage complete comprising one sub-point, as represented in an affidavit attesting to the completeness by a professional engineer. An Interconnection Customer will receive 10 sub-points if it is an expansion of a Generating Facility that has executed a GIA and submitted its notice to proceed and commenced Construction Activities, as confirmed by the Participating TO. Alternatively, an Interconnection Customer will receive 20 sub-points if it is an expansion of an online Generating Facility. Alternatively, an Interconnection Customer will receive 50 sub-points if it is an expansion of a Generating Facility that has executed a GIA, submitted its notice to proceed, commenced Construction Activities, as confirmed by the Participating TO, or is online, and the Generating Facility's generator tie line to the CAISO Controlled Grid has sufficient surplus capacity to accommodate the sum of the maximum capacities of the extant Generating Facility and the expansion. Interconnection Customers seeking expansion sub-points must submit documentation to describe and verify the expansion with their scoresheets.

3) An Interconnection Customer may receive up to 35 points for system need based on its ratio of sub-points to 100. The Interconnection Customer will receive 50 sub-points if the Generating Facility could be a Local Capacity Area Resource when the Interconnection Request is submitted, and the CAISO has projected a Local Capacity Area Resource Deficiency in that Local Capacity Area. The Interconnection Customer will receive 100 sub-points if the Generating Facility is designated by a Local Regulatory Authority as a long lead-time resource; meets the requirements of the Local Regulatory Authority resource portfolio; and corresponds to approved Network Upgrades in the Transmission Plan specifically designed to meet the long lead-time resource needs of the Local Regulatory Authority, or does not require additional transmission capacity. The CAISO will confirm eligibility for these sub-points with the applicable Local Regulatory Authority.

4.1.1.1 Load Serving Entity Points

To allocate commercial interest points to Interconnection Customers, a Load Serving Entity must do the following at least two months prior to the Cluster Application Window's opening:

1) Provide the CAISO written, electronic notice of intent to participate in the points allocation. The notice must include (a) the publicly accessible website used by the Load Serving Entity; and (b) the contact information for the person or department conducting the points allocation for the Load Serving Entity.
2) Publish on the publicly accessible website (a) the selection criteria or consideration factors for awarding points; and (b) the contact information for the person or department conducting the points allocation for the Load Serving Entity. Public websites requiring registration are permissible.

Within five (5) Business Days after the deadline for Load Serving Entities to provide their notices, the CAISO will publish on the CAISO Website the contact information, website, and points allocation for each participating Load Serving Entity. To determine available Deliverable Option commercial interest points for allocation, the CAISO will take the aggregate available MW of Deliverability in each Transmission Zone and multiply it by a scaling factor of 0.5. The CAISO will then allocate shares of points to each Load Serving Entity based upon on their relative load ratio shares in the most recent coincident peak demand forecast from the California Energy Commission. Load Serving Entities are not required to allocate all of their allocated points. The CAISO will not redistribute forgone or otherwise unused points to other Load Serving Entities.

For each Cluster Application Window, a Load Serving Entity may allocate points to the greater of three (3) Interconnection Requests from Affiliates, or no more than twenty-five percent (25%) of its points to Interconnection Requests from Affiliates based on their requested Interconnection Service Capacity.

4.1.2 Auction Process

After the points assessment and distribution factor analysis, the CAISO will notify any still tied Interconnection Customers required to win an auction to be included in the Cluster Study. Those Interconnection Customers may submit a single, sealed bid of a $/MW value of aggregate Generating Facility Capacity at the Point of Interconnection, or withdraw. The CAISO will consider bids based on the dollar per MW bid value only, and not the product of the dollar value and the Generating Facility capacity. The CAISO will accept the highest bid(s) for the Cluster Study until it reaches the one hundred fifty percent (150%) limit.

Interconnection Customers that win an auction and proceed to the Cluster Study must post an auction deposit by the end of the Cluster Engagement Window. The auction deposit may be in any form or combination of forms under Section 11.1. The value of the auction deposit is the product of the dollar value of the lowest winning bid in that Transmission Zone and the MW capacity of the Interconnection Customer's own Generating Facility at the Point of Interconnection. The CAISO and Participating TO will release or refund with any interest the auction deposit when the ~~Interconnection Customer~~Generating Facility achieves Commercial Operation. If an Interconnection Customer withdraws its Interconnection Request, or is deemed withdrawn, it will lose the following portion of the auction deposit:

a) Fifteen percent (15%) prior to the commencement of the Cluster Restudy, or if no Cluster Restudy for that Queue Cluster takes place, the Interconnection Facilities Study;
b) Thirty percent (30%) between commencement of the Cluster Restudy, or if no Cluster Restudy takes place then the end of the Cluster Study, and commencement of the Interconnection Facility Study;
c) Fifty percent (50%) between commencement of the Interconnection Facilities Study and execution or the filing of an unexecuted GIA for the Interconnection Customer;

d) One hundred percent (100%) after the Interconnection Customer executes a GIA or an unexecuted GIA is filed on its behalf.

The CAISO and Participating TO will process any non-refundable auction deposit funds pursuant to Section 7.6 of this RIS.

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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. Fast Track Interconnection Requests may not obtain Deliverability for that Generating Facility and any associated Generating Units thereafter, including without limitation through transfers, modifications, or the TP Deliverability allocation process.

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;

(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.

* * * * *

5.5.4.3 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 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.

* * * * *

6.7.2.3 The Interconnection Customer shall provide the CAISO a $3~~1~~0,000 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~~sixty (60~~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 $~~1~~30,000 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~~ one hundred twenty (12~~9~~0) 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 thirty (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 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.

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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 $3~~1~~0,000 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.

* * * * *

6.7.3 [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 or Generating Unit 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 this RIS or the GIA, including without limitation ~~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.~~

If an Interconnection Customer satisfies all the commercial viability criteria except criterion (b), the CAISO will postpone ~~converting~~ withdrawing 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 may exercise this provision only once. 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~~withdraw the portion of the Generating Facility that is in service and operating in the CAISO M~~m~~arkets. Instead, the portion of the Generating Facility that has not been developed will be ~~converted to Energy-Only Deliverability Status~~withdrawn~~, resulting in Partial Capacity Deliverability Status for the Generating Facility~~. ~~However~~

~~, w~~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 M~~m~~arkets, it will ~~revert to~~be 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~~CAISO will deem them withdrawn pursuant to Section 3.8. Interconnection Customers will not be subject to annual review requirements in any year the Participating TO unilaterally extends their Commercial Operation Date, but will resume compliance the following year.

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

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

(i) ~~understatement or overstatement of~~an increase to 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 by the counterparty.

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~~revision 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~~revisions.

6.8.2 Other ~~Errors or Omissions~~Revisions; Addendum

If ~~an error or omission~~a revision in an Interconnection Study report is not a substantial ~~error or omission~~revision, the CAISO shall not issue a revised final Interconnection Study

report. Rather, the CAISO shall document such ~~error or omission~~revision 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 [Not Used]~~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 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~~Revisions 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~~revision; 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 by the counterparty resulting from the substantial ~~error or omission~~revision, as applicable.

* * * * *

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 the 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.

* * * * *

7.5 [Not Used]

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 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 seventy-five (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

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 the 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.

* * * * *

8.9.1 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) 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~~RIS;

(c) any other commitments having a basis in the Transmission Plan, including without limitation, long lead-time resources with corresponding transmission solutions, and 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~~RIS. 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~~RIS. For each Subscriber that submits a TP Deliverability request, the CAISO will provide the Subscriber with a Queue Position. The CAISO will reserve TP Deliverability for long lead-time resources specified in the Transmission Plan up to the lower of (a) the capacity of deliverable long lead-time resources in the approved Local Regulatory Authority portfolios submitted to the CAISO for the most recent Transmission Plan, or (b) the transmission capacity created by the Category 1 policy-driven transmission solutions and available on existing transmission for the long lead-time resources.

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.

* * * * *

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 or Partial 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. The CAISO will include all Generating Facilities subject to this provision, including predecessor studies, in its determination of available Deliverability pursuant to Sections 3.6 and 4 without limitation.

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. As described in the Business Practice Manual, such study request will be in the form of the CAISO's pro forma Interconnection Request, where applicable, including Cluster Study criteria under Section 4 of this RIS. The Interconnection Request must be submitted during the Cluster Application Window and must include the Generating Facility's intended Point of Delivery to the CAISO Controlled Grid. The CAISO will determine the Transmission Zone eligibility and include the Generating Facility in the Cluster Study criteria process and Deliverability assessments based upon the Participating TO's interconnection to the CAISO Controlled Grid. The Generating Facility will be eligible for Deliverability where it satisfies the criteria in this RIS.

Except for the financial requirements described in Section 4 of this RIS, the Generating Facility will be subject to the interconnection fee, deposit, and financing requirements of the Participating TO tariff and not the CAISO Tariff. Generating Facilities sharing Delivery Network Upgrades will be subject to Section 13.6, and must provide security and authorization to their Participating TOs by the same deadlines as CAISO Interconnection Customers sharing upgrades.

The Generating Facility may withdraw its CAISO study request at any time pursuant to Section 3.8. If at any time the Generating Facility no longer has an active Interconnection Request under the Participating TO tariff, the CAISO will deem it withdrawn pursuant to Section 3.8.

Following the Interconnection Facility Study for the Generating Facility deliverability study, the Participating TO will tender a draft GIA or GIA amendment pursuant to the Participating TO's

tariff.

* * * * *

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 the Deliverable Option 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 the Merchant Option, the Interconnection Facilities Study and 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 the Merchant Option 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 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 Participating TO 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 Participating TO. 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.

Notwithstanding any other provision, Interconnection Customers owned by Participating TOs, and interconnecting to their own Participating TO service area, are not required to post Commercial Readiness Deposits or GIA Deposits to themselves. If the Interconnection Customer withdraws, it must remit all funds that would have been forfeited upon withdrawal or termination absent this exemption.

* * * * *

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 following: (1) demonstration of continued Site Control pursuant to Section 8.1.1(2) of this RIS provided to the CAISO; and (2) the GIA Deposit provided to the Participating TO 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 Participating TO for its Interconnection Request. The Participating TO shall use the 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 and the Participating TO. If the Interconnection Customer fails to provide (1) and (2) to the CAISO and the Participating TO 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.

13.3.1 Implementation Deposit

Within thirty (30) days of the effective date of the GIA, the Interconnection Customer will provide the CAISO with a $35,000 implementation deposit. Generating Facilities interconnecting pursuant to a Participating TO tariff must submit a $6,000 implementation deposit at the commencement of the CAISO new resource implementation process. The CAISO will deposit the implementation deposit in an interest bearing account at a bank or financial institution designated by the CAISO. The implementation deposit will be applied to pay for prudent costs incurred by the CAISO or third parties at the direction of the CAISO to manage the Interconnection Request between GIA execution and the Commercial Operation Date, including without limitation executing GIA amendments, modeling and testing for synchronization, preparing for metering and telemetry, and incorporating the Generating Units into the CAISO Markets. The CAISO will not use implementation deposit funds to offset or obviate processes that require separate deposits under this RIS, including without limitation Material Modification Assessments, Permissible Technological Advancements, and Limited Operation Studies.

The Interconnection Customer will be responsible for the actual costs incurred by the CAISO and applicable Participating TO(s). If the actual costs are less than the deposit provided by the Interconnection Customer, the Interconnection Customer will be refunded the balance, including interest earned. If the actual costs are greater than the deposit provided by the Interconnection Customer, the Interconnection Customer will pay the balance within thirty (30) days of being invoiced. The Participating TO(s) will invoice the CAISO for any work within seventy-five (75) days of the Commercial Operation Date or withdrawal, 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.

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

13.6 Shared Network Upgrades

Interconnection Studies and GIAs will identify when Network Upgrades are shared, and their estimated construction timelines. Once identified in the Interconnection Studies, or no later than when the first Interconnection Customer sharing the Assigned Network Upgrade executes its GIA with for the Assigned Network Upgrade, the CAISO and Participating TO will notify the other Interconnection Customers sharing the Assigned Network Upgrade when their provision of security under Article 11.5 of the GIA will be required based on the construction timeline required to meet the earliest In-Service Date of the Interconnection Customers sharing the Assigned Network Upgrade. All Interconnection Customers sharing the Assigned Network Upgrade must submit (a) their authorizations to proceed with design and procurement of the shared Network Upgrade and (b) their provision of security under Article 11.5 of the GIA for the shared Network Upgrade, by the same deadline. Interconnection Customers and Participating TOs may have separate posting and authorization deadlines for each shared Network Upgrade and other non-shared Network Upgrades, but Interconnection Customers sharing Assigned Network Upgrades must have the same deadlines for them. At all times, Interconnection Customers must have sufficient Commercial Readiness Deposit, GIA Deposit, and provision of security under Article 11.5 of the GIA to meet the requirements of this RIS and the GIA.

All Interconnection Customers sharing the Assigned Network Upgrade must execute an engineering and procurement agreement under Section 12 or a GIA prior to submitting their security for the shared Network Upgrade. Where any Interconnection Customer sharing the Assigned Network Upgrade has not executed either agreement, the Participating TO will tender (1) a draft engineering and procurement agreement if the Interconnection Customer is parked, or (2) a draft GIA or GIA amendment, to the Interconnection Customer no later than one-hundred twenty (120) days before the provision of security deadline. The Interconnection Customer must execute the engineering and procurement agreement or GIA or request that the GIA be filed unexecuted prior to the deadline to post. The failure by an Interconnection Customer to timely (a) execute an engineering and procurement agreement or GIA or request an unexecuted filing, (b) submit the authorization to proceed, or (c) submit the provision of security for the shared Assigned Network Upgrade, under this Section, will result in the Interconnection Request being deemed withdrawn and subject to Section 3.8. The Interconnection Customer will provide the CAISO and the Participating TO with written notice that it has posted the required security no later than the applicable final day for posting.

No later than thirty (30) days after each Interconnection Customer sharing the Assigned Network Upgrade complies with this Section, the Participating TO will commence Construction Activities on the shared Assigned Network Upgrade.

* * * * *

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~~ eExecutive dDispute cCommittee, 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~~ eExecutive dDispute cCommittee shall have five (5) Business Days to determine whether or not to restore the Interconnection Request. The CAISO may replace Vice Presidents unavailable during the five (5) Business Days with another CAISO Vice President. If the ~~GIDAP~~ eExecutive dDispute cCommittee 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:

* * * * *

Appendix 3

CLUSTER STUDY AGREEMENT
FOR QUEUE CLUSTERS

* * * * *

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~~.

* * * * *

Appendix B

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

* * * * *

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*:

* 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: _____

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 o~~p~~f Appendix KK.

Appendix 4

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

* * * * *

4.3 Confidentiality: Confidential Information shall be treated in accordance with Section 154.1 of the RIS.

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Appendix LL

Large Generator Interconnection Agreement

for Interconnection Requests Processed under the Resource Interconnection Standards

(Appendix KK to the CAISO Tariff)

* * * * *

Article 1. Definitions

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Local Deliverability Constraint shall mean a transmission system operating limit modeled in the ~~GIDAP~~ study process that would be exceeded if the CAISO were to assign full capacity or partial capacity deliverability status to one or more additional generating facilities interconnecting to the CAISO Controlled Grid in a specific local area, and that is not an Area Deliverability Constraint.

Local Delivery Network Upgrade shall mean a transmission upgrade or addition identified by the CAISO in the ~~GIDAP~~ study process to relieve a Local Deliverability Constraint.

* * * * *

Merchant Network Upgrades - Network Upgrades constructed and owned by an Interconnection Customer or a third party pursuant to Article 5.1.5 of this LGIA, Section 14.3 of the ~~GIDAP~~RIS, and Sections 24.4.6.1 and 36.11 of the CAISO Tariff.

* * * * *

~~**Option (A) Generating Facilities** shall mean a Generating Facility for which the Interconnection Customer has selected Option (A) as the Deliverability option under Section 7.2 of Appendix DD or KK.~~

~~**Option (B) Generating Facilities** shall mean a Generating Facility for which the Interconnection Customer has selected Option (B) as the Deliverability option under Section 7.2 of Appendix DD or KK.~~

* * * * *

Precursor Network Upgrades (PNU) shall mean Network Upgrades required for the Interconnection Customer consisting of (1) Network Upgrades assigned to an earlier Interconnection

Customer in an earlier Queue Cluster, Independent Study Process, or Fast Track Process, that has executed its GIA ~~pursuant to Section 14.2.2 of the GIDAP~~; and (2) Network Upgrades in the approved CAISO Transmission Plan.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under this LGIA, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

RNU shall mean Reliability Network Upgrades.

Reliability Network Upgrades (RNU) shall mean the transmission facilities at or beyond the Point of Interconnection identified in the Interconnection Studies as necessary to interconnect one or more Generating Facility(ies) safely and reliably to the CAISO Controlled Grid, which would not have been necessary but for the interconnection of one or more Generating Facility(ies), including Network Upgrades necessary to remedy short circuit or stability problems, or thermal overloads. Reliability Network Upgrades shall only be deemed necessary for system operating limits, occurring under any system condition, which cannot be adequately mitigated through Congestion Management or Operating Procedures based on the characteristics of the Generating Facilities included in the Interconnection Studies, limitations on market models, systems, or information, or other factors specifically identified in the Interconnection Studies. Reliability Network Upgrades also include, consistent with WECC practice, the facilities necessary to mitigate any adverse impact the Generating Facility's interconnection may have on a path's WECC rating. Reliability Network Upgrades include Interconnection Reliability Network Upgrades and General Reliability Network Upgrades.

Resource Interconnection Standards (RIS) shall mean Appendix KK to the CAISO Tariff.

Scoping Meeting shall mean the meeting among representatives of the Interconnection Customer, the applicable Participating TO(s), and the CAISO conducted for the purpose of discussing the proposed Interconnection Request and any alternative interconnection options, exchanging information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options, refining information and models provided by Interconnection Customer(s), discussing the Cluster Study materials posted to OASIS pursuant to Section 3.5 of the~~is GIDAP~~RIS, and analyzing such information.

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Article 2. Effective Date, Term and Termination

* * * * *

2.4 Termination Costs. Immediately upon the other Parties' receipt of a notice of the termination of this LGIA pursuant to Article 2.3 above, the CAISO and the Participating TO will determine the total cost responsibility of the Interconnection Customer. If, as of the date of the other Parties' receipt of the notice of termination, the Interconnection Customer has not already paid its share of Network Upgrade costs, as set forth in Appendix G to this LGIA, the Participating TO will liquidate the Interconnection Customer's GIA Deposit associated with its cost responsibility for Network Upgrades, in accordance with Section 3.8 of the ~~GIDAP~~RIS.

The Interconnection Customer will also be responsible for all costs incurred or irrevocably committed to be incurred in association with the construction of the Participating TO's

Interconnection Facilities (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment) and other such expenses, including any Distribution Upgrades for which the Participating TO or CAISO has incurred expenses or has irrevocably committed to incur expenses and has not been reimbursed by the Interconnection Customer, as of the date of the other Parties' receipt of the notice of termination, subject to the limitations set forth in this Article 2.4. Nothing in this Article 2.4 shall limit the Parties' rights under Article 17. If, as of the date of the other Parties' receipt of the notice of termination, the Interconnection Customer has not already reimbursed the Participating TO and the CAISO for costs incurred to construct the Participating TO's Interconnection Facilities, the Participating TO will liquidate the Interconnection Customer's GIA Deposit associated with the construction of the Participating TO's Interconnection Facilities, in accordance with Section 3.8 of the ~~GIDAP~~RIS. If the amount of the GIA Deposit liquidated by the Participating TO under this Article 2.4 is insufficient to compensate the CAISO and the Participating TO for actual costs associated with the construction of the Participating TO's Interconnection Facilities contemplated in this Article, any additional amounts will be the responsibility of the Interconnection Customer, subject to the provisions of Section 3.8 of the ~~GIDAP~~RIS. Any such additional amounts due from the Interconnection Customer beyond the amounts covered by its GIA Deposit will be due to the Participating TO immediately upon termination of this LGIA in accordance with Section 3.8 of the ~~GIDAP~~RIS.

If the amount of the GIA Deposit exceeds the Interconnection Customer's cost responsibility under Section 3.8 of the ~~GIDAP~~RIS, any excess amount will be released to the Interconnection Customer in accordance with Section 3.8 of the ~~GIDAP~~RIS.

* * * * *

3.2 Agreement Subject to CAISO Tariff. The Interconnection Customer will comply with all applicable provisions of the CAISO Tariff, including the ~~GIDAP~~RIS.

* * * * *

4.6 TP Deliverability. To the extent that an Interconnection Customer is eligible for and has been allocated TP Deliverability ~~pursuant to Section 8.9 of the GIDAP~~, the Interconnection Customer's retention of such allocated TP Deliverability shall be contingent upon satisfying the obligations set forth in Section 8.9.3 of the ~~GIDAP~~RIS. In the event that the Interconnection does not retain allocated TP Deliverability with regard to any portion of the Generating Facility, such portion of the Generating Facility shall be deemed to receive Interconnection Service under this LGIA as Energy Only Deliverability Status.

* * * * *

5.1.5 Merchant Option. In addition to any Option to Build set forth in Article 5.1.3 of this LGIA, an Interconnection Customer ~~having an Option (B) Generating Facility~~under Section 4.2 of the RIS may elect to have a party other than the applicable Participating TO construct some or all of the LDNU and ADNU for which the Interconnection Customer has the

obligation to fund and which are not subject to reimbursement. Such LDNU and ADNU will be constructed and 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.

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5.10 Interconnection Customer's Interconnection Facilities. The Interconnection Customer shall, at its expense, design, procure, construct, own and install the Interconnection Customer's Interconnection Facilities, as set forth in Appendix A.

5.10.1 Large Generating Facility and Interconnection Customer's Interconnection Facilities Specifications. In addition to the Interconnection Customer's responsibility to submit technical data with its Interconnection Request ~~as required by Section 3.5.1 of the GIDAP~~, the Interconnection Customer shall submit all remaining necessary specifications for the Interconnection Customer's Interconnection Facilities and Large Generating Facility, including System Protection Facilities, to the Participating TO and the CAISO at least one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date; and final specifications for review and comment at least ninety (90) Calendar Days prior to the Initial Synchronization Date. The Participating TO and the CAISO shall review such specifications pursuant to this LGIA and the ~~GIDAP~~ RIS to ensure that the Interconnection Customer's Interconnection Facilities and Large Generating Facility are compatible with the technical specifications, operational control, safety requirements, and any other applicable requirements of the Participating TO and the CAISO and comment on such specifications within thirty (30) Calendar Days of the Interconnection Customer's submission. All specifications provided hereunder shall be deemed confidential.

5.10.2 Participating TO's and CAISO's Review. The Participating TO's and the CAISO's review of the Interconnection Customer's final specifications shall not be construed as confirming, endorsing, or providing a warranty as to the design, fitness, safety, durability or reliability of the Large Generating Facility, or the Interconnection Customer's Interconnection Facilities. Interconnection Customer shall make such changes to the Interconnection Customer's Interconnection Facilities as may reasonably be required by the Participating TO or the CAISO, in accordance with Good Utility Practice, to ensure that the Interconnection Customer's Interconnection Facilities are compatible with the technical specifications, Operational Control, and safety requirements of the Participating TO or the CAISO.

5.10.3 Interconnection Customer's Interconnection Facilities Construction. The Interconnection Customer's Interconnection Facilities shall be designed and constructed in accordance with Good Utility Practice. Within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Participating TO and Interconnection Customer agree on another mutually acceptable deadline, the Interconnection Customer shall deliver to the Participating TO and CAISO "as-built" drawings, information and documents for the Interconnection Customer's Interconnection Facilities and the Electric Generating Unit(s), such as: a one-line diagram, a site plan showing the Large Generating Facility and the Interconnection Customer's Interconnection Facilities, plan and elevation drawings showing the layout of the Interconnection Customer's Interconnection Facilities, a relay functional diagram, relaying AC and DC schematic wiring diagrams and relay settings for all facilities associated with the Interconnection Customer's step-up transformers, the facilities connecting the Large Generating Facility to the step-up transformers and the Interconnection Customer's

Interconnection Facilities, and the impedances (determined by factory tests) for the associated step-up transformers and the Electric Generating Units. The Interconnection Customer shall provide the Participating TO and the CAISO specifications for the excitation system, automatic voltage regulator, Large Generating Facility control and protection settings, transformer tap settings, and communications, if applicable. Any deviations from the relay settings, machine specifications, and other specifications originally submitted by the Interconnection Customer shall be assessed by the Participating TO and the CAISO pursuant to the appropriate provisions of this LGIA and the ~~GIDAP~~RIS.

5.10.4 Interconnection Customer to Meet Requirements of the Participating TO's Interconnection Handbook. The Interconnection Customer shall comply with the Participating TO's Interconnection Handbook.

* * * * *

5.16 Suspension. The Interconnection Customer may request to suspend at any time all work associated with the construction and installation of the Participating TO's Interconnection Facilities, Network Upgrades, and/or Distribution Upgrades required under this LGIA, other than Network Upgrades identified in the Interconnection Facilities Study as common to multiple generating facilities. Interconnection Customers seeking to suspend construction will provide the CAISO and Participating TO a request for assessment pursuant to Section 6.7.2 of the ~~GIDAP~~RIS, a modification assessment deposit, and an anticipated end date of the suspension. Interconnection Customers may request a suspension for the maximum amount of time in lieu of providing an anticipated end date. The CAISO and Participating TO will approve suspension requests where:

(a) the Participating TO's electrical system and the CAISO Controlled Grid can be left in a safe and reliable condition in accordance with Good Utility Practice, the Participating TO's safety and reliability criteria, and Applicable Reliability Standards; and

(b) the CAISO and Participating TO determine the suspension will not result in a Material Modification.

For any suspension that will extend the Commercial Operation Date beyond seven (7) years from the date the Interconnection Request is received by the CAISO, the Interconnection Customer must satisfy the commercial viability criteria in Section 6.7.4 of the RIS.

During suspension, the Interconnection Customer may request to extend or shorten their suspension period, consistent with the maximum period provided in this Article. The CAISO and Participating TO will approve such requests where they meet criteria (a) and (b), above. Requests to extend or shorten extensions will require a new modification assessment request and deposit. The Interconnection Customer shall be responsible for all reasonable and necessary costs for suspension for which the Participating TO (i) has incurred pursuant to this LGIA prior to the suspension and (ii) incurs 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 Participating TO's electric system during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which the Participating TO cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, the Participating TO

shall obtain Interconnection Customer's authorization to do so.

Network Upgrades common to multiple generating facilities, and to which the Interconnection Customer's right of suspension shall not extend, consist of Network Upgrades identified for:

(i) generating facilities which are the subject of all Interconnection Requests made prior to the Interconnection Customer's Interconnection Request;
(ii) generating facilities which are the subject of Interconnection Requests within the Interconnection Customer's queue cluster; and
(iii) generating facilities that are the subject of Interconnection Requests that were made after the Interconnection Customer's Interconnection Request but no later than the date on which the Interconnection Customer's Interconnection Facilities Study Report is issued, and have been modeled in the Base Case at the time the Interconnection Customer seeks to exercise its suspension rights under this Article.

The Participating TO shall invoice the Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs. In the event Interconnection Customer suspends work required under this LGIA pursuant to this Article 5.16, and has not requested the Participating TO to recommence the work or has not itself recommenced work required under this LGIA in time to ensure that the new projected Commercial Operation Date for the full Generating Facility Capacity of the Large Generating Facility is no more than three (3) years from the Commercial Operation Date identified in Appendix B hereto, this LGIA shall be deemed terminated and the Interconnection Customer's responsibility for costs will be determined in accordance with Article 2.4 of this LGIA. The suspension period shall begin on the date the Interconnection Customer provides in its request, if approved. Ninety (90) days before the anticipated end date of the suspension, the Participating TO and the CAISO will tender an amended draft LGIA with new construction milestones. The Parties agree to negotiate the amended draft LGIA in good faith such that it can be executed by the end of the suspension.

~~Interconnection Customer subject to Section 8.9.2.2 of Appendix DD may not request suspension.~~

* * * * *

5.20 Annual Reassessment Process. In accordance with Section 7 of the ~~GIDAP~~RIS, the CAISO will perform an annual reassessment, as part of a queue cluster interconnection study cycle, in which it will update certain base case data. As set forth in Section 7, the CAISO may determine through this assessment that Delivery Network Upgrades and Off-Peak Network Upgrades already identified and included in executed generator interconnection agreements should be modified in order to reflect the current circumstances of interconnection customers in the queue, including any withdrawals therefrom, and any additions and upgrades approved in the CAISO's most recent TPP cycle. To the extent that this determination modifies the scope or characteristics of, or the cost responsibility for, any Delivery Network Upgrades and Off-Peak Network Upgrades set forth in Appendix A to this LGIA, such modification(s) will be reflected through an amendment to this LGIA.

* * * * *

11.3 Network Upgrades and Distribution Upgrades. The Participating TO shall design, procure, construct, install, and own the Network Upgrades and Distribution Upgrades described in Appendix A, except for Stand Alone Network Upgrades, which will be constructed, and if agreed to by the Parties owned by the Interconnection Customer, and Merchant Network Upgrades. The Interconnection Customer shall be responsible for all costs related to Distribution Upgrades. Network Upgrades shall be funded by the Interconnection Customer, which for Interconnection Customers processed under Section 6 of the ~~GIDAP~~ RIS (in Queue Clusters) shall be in an amount determined pursuant to the methodology set forth in Section 6.3 of the ~~GIDAP~~RIS. This specific amount is set forth in Appendix G to this LGIA. For costs associated with Area Delivery Network Upgrades, any amounts set forth in Appendix G will be advisory estimates only, and will not operate to establishing any cap or Maximum Cost Exposure on the cost responsibility of the Interconnection Customer for Area Delivery Network Upgrades.

11.4 Transmission Credits. No later than thirty (30) Calendar Days prior to the Commercial Operation Date, the Interconnection Customer may make a one-time election by written notice to the CAISO and the Participating TO to (a) receive Congestion Revenue Rights as defined in and as available under the CAISO Tariff at the time of the election in accordance with the CAISO Tariff, in lieu of a repayment of the cost of Network Upgrades in accordance with Article 11.4.1, and/or (b) decline all or part of a refund of the cost of Network Upgrades entitled to the Interconnection Customer in accordance with Article 11.4.1.

11.4.1 Repayment of Amounts Advanced for Network Upgrades.

11.4.1.1 Repayment of Amounts Advanced Regarding Non-Phased Generating Facilities

An Interconnection Customer with a non-Phased Generating Facility shall 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.

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 Network Upgrades not refunded to the Interconnection Customer pursuant to Article 5.17.8 or otherwise, and shall be paid to the Interconnection Customer by the Participating TO 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 Article 11.4.1.1; 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. Notwithstanding the foregoing, if this LGIA terminates within five (5) years of the applicable commencement date, the Participating TO's obligation to pay refunds to the Interconnection Customer shall cease as of the date of termination.

Where the Interconnection Customer finances the construction of Network Upgrades for more than one Participating TO, the cost allocation, GIA Deposit,

and repayment will be conducted pursuant to Section 14.4.1 of the RIS, and set forth in Appendix G.

An Interconnection Customer subject to this Article 11.4.1.1 shall be entitled to repayment for its contribution to the cost of Network Upgrades as follows:

(a) For Reliability Network Upgrades, the Interconnection Customer shall be entitled to a repayment of the amount paid by the Interconnection Customer for Reliability Network Upgrades as set forth in Appendix G, up to a maximum amount established in Section 14.3.2.1 of the RIS. Interconnection Customers interconnecting pursuant to Section 4.4 of the RIS are ineligible for cash repayment. For purposes of this determination, generating capacity will be based on the capacity of the Interconnection Customer's Generating Facility at the time it achieves Commercial Operation. To the extent that such repayment does not cover all of the costs of Interconnection Customer's Reliability Network Upgrades, including for Interconnection Customers interconnecting pursuant to Section 4.4 of the RIS, the Interconnection Customer shall receive Merchant Transmission CRRs for that portion of its Reliability Network Upgrades that are not covered by cash repayment.

(b) For Local Delivery Network Upgrades, ~~: i.If the Interconnection Customer is an Option (B) Interconnection Customer and has been allocated and continues to be eligible to receive TP Deliverability pursuant to the RIS,~~ the Interconnection Customer shall be entitled to repayment of a portion of the total amount paid to the Participating TO for the costs of Local Delivery Network Upgrades for which it is responsible, as set forth in Appendix G. The repayment amount shall be determined by dividing the amount of TP Deliverability received by the amount of deliverability requested by the Interconnection Customer, and multiplying that percentage by the total amount paid to the Participating TO by the Interconnection Customer for Local Delivery Network Upgrades.

~~ii. If the Generating Facility is an Option (B) Generating Facility and has not been allocated any TP Deliverability, the Interconnection Customer shall not be entitled to repayment for the costs of Local Delivery Network Upgrades.~~

~~iii. If the Generating Facility is an Option (A) Generating Facility, the Interconnection Customer shall be entitled to a repayment equal to the total amount paid to the Participating TO for the costs of Local Delivery Network Upgrades for which it is responsible, as set forth in Appendix G.~~

(c) For Area Delivery Network Upgrades, the Interconnection Customer shall not be entitled to repayment for the costs of Area Delivery Network Upgrades. An Interconnection Customer interconnecting pursuant to Section 4.2 of the RIS that financed Area Delivery Network Upgrades will be eligible for Merchant Transmission CRRs pursuant to Section 36.11 of the CAISO Tariff.

(d) If an Interconnection Customer ~~having a Option (B) Generating Facility, and is eligible, to~~ constructs and owns Network Upgrades pursuant to the Merchant Option set forth in Article 5.15 of this LGIA, then the Interconnection Customer shall not be entitled to any repayment pursuant to this LGIA.

~~(e) For Local Off-Peak Network Upgrades, the Interconnection Customer will be entitled to a repayment equal to the total amount paid to the Participating TO for the costs of Local Delivery Network Upgrades for which it is responsible, as set forth in Appendix G.~~

~~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 Network Upgrades not refunded to the Interconnection Customer pursuant to Article 5.17.8 or otherwise, and shall be paid to the Interconnection Customer by the Participating TO 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 Article 11.4.1.1; 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. Notwithstanding the foregoing, if this LGIA terminates within five (5) years of the applicable commencement date, the Participating TO's obligation to pay refunds to the Interconnection Customer shall cease as of the date of termination~~.

~~(f) Where the Interconnection Customer finances the construction of Network Upgrades for more than one Participating TO, the cost allocation, GIA Deposit, and repayment will be conducted pursuant to Section 14.4.1 of the RIS, and set forth in Appendix G.~~

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11.4.1.4 [Not Used] ~~Failure to Achieve Commercial Operation~~

~~If the Large Generating Facility fails to achieve Commercial Operation, but it or another generating facility is later constructed and makes use of the Network Upgrades, the Participating TO shall at that time reimburse Interconnection Customer for the amounts advanced for the Network Upgrades. Before any such reimbursement can occur, the Interconnection Customer, or the entity that ultimately constructs the generating facility, if different, is responsible for identifying and demonstrating to the Participating TO the appropriate entity to which reimbursement must be made in order to implement the intent of this reimbursement obligation.~~

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Appendix H

INTERCONNECTION REQUIREMENTS FOR AN ASYNCHRONOUS GENERATING FACILITY

Appendix H sets forth interconnection requirements specific to all Asynchronous Generating Facilities.

Except as provided in Section 25.4.2 of the CAISO tariff, existing individual generating units of an Asynchronous Generating Facility that are, or have been, interconnected to the CAISO Controlled Grid at the same location are exempt from the requirements of this Appendix H for the remaining life of the existing generating unit.

A. Technical Requirements Applicable to Asynchronous Generating Facilities

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vi. Transient Data Recording Equipment for Facilities ~~above 20 MW~~

Asynchronous Generating Facilities ~~with generating capacities of more than 20 MW~~ must monitor and record data for all frequency ride-through events, transient low voltage disturbances that initiated reactive current injection, reactive current injection or momentary cessation for transient high voltage disturbances, and inverter trips. The data may be recorded and stored in a central plant control system. The following data must be recorded:

Plant Level:

(1) Plant three phase voltage and current
(2) Status of ancillary reactive devices
(3) Status of all plant circuit breakers
(4) Status of plant controller
(5) Plant control set points
(6) Position of main plant transformer no-load taps
(7) Position of main plant transformer tap changer (if extant)
(8) Protective relay trips or relay target data

Inverter Level:

(1) Frequency, current, and voltage during frequency ride-through events
(2) Voltage and current during momentary cessation for transient high voltage events (when used)
(3) Voltage and current during reactive current injection for transient low or high voltage events
(4) Inverter alarm and fault codes
(5) DC current
(6) DC voltage

The data must be time synchronized, using a GPS clock or similar device, to a one millisecond level of resolution. All data except phase angle measuring unit data must be sampled at least every ten (10) milliseconds. Data recording must be triggered upon detecting a frequency ride-through event, a transient low voltage disturbance that initiated reactive current injection, momentary cessation or reactive current injection for a transient high voltage disturbance, or an inverter trip. Each recording will include as a minimum one hundred fifty (150) milliseconds of data prior to the triggering event, and 1000 milliseconds of data after the event trigger. The Asynchronous Generating Facility must store this data for a minimum of thirty (30) days. The Asynchronous Generating Facility will provide all data within ten (10) calendar days of a request from the CAISO or the Participating TO.

The Asynchronous Generating Facility must install and maintain a phase angle measuring unit or functional equivalent at the entrance to the facility or at the Generating Facility's main substation transformer. The phase angle measuring unit must have a resolution of at least ~~30~~ 16 samples per ~~second~~cycle. The Asynchronous Generating Facility will store this data for a minimum of thirty (30) days. The Asynchronous Generating Facility will provide all phase angle measuring unit data within ten (10) calendar days of a request from the CAISO or the Participating TO.

Appendix MM
Small Generator Interconnection Agreement for Interconnection Requests Processed Under the Resource Interconnection Standards
(Appendix KK to the CAISO Tariff)

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5.3 Transmission Credits

No later than thirty (30) calendar days prior to the Commercial Operation Date, the Interconnection Customer may make a one-time election by written notice to the CAISO and the Participating TO to (a) receive Congestion Revenue Rights as defined in and as available under the CAISO Tariff at the time of the election in accordance with the CAISO Tariff, in lieu of a repayment of the cost of Network Upgrades in accordance with Article 5.3.1, and/or (b) decline all or a part of a refund of the cost of Network Upgrades entitled to the Interconnection Customer in accordance with Article 5.3.1.

5.3.1 Repayment of Amounts Advanced for Network Upgrades

* * * * *

5.3.1.4 [Not Used]~~Failure to Achieve Commercial Operation~~

~~If the Small Generating Facility fails to achieve commercial operation, but it or another generating facility is later constructed and makes use of the Network Upgrades, the Participating TO shall at that time reimburse Interconnection Customer for the amounts advanced for the Network Upgrades. Before any such reimbursement can occur, the Interconnection Customer, or the entity that ultimately constructs the generating facility, if different, is responsible for identifying the entity to which reimbursement must be made.~~

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Attachment 7

Interconnection Requirements for an Asynchronous Small Generating Facility

Attachment 7 sets forth requirements and provisions specific to all Asynchronous Generating Facilities. ~~All other requirements of this Agreement continue to apply to all Asynchronous Generating Facility interconnections consistent with Section 25.4.2 of the CAISO tariff.~~ Except as provided in Section 25.4.2 of the CAISO Tariff, existing individual Generating Units of an Asynchronous Generating Facility that are, or have been, interconnected to the CAISO Controlled Grid at the same location are exempt from the requirements of this Attachment 7 for the remaining life of the existing Generating Unit.

A. Technical Standards Applicable to Asynchronous Generating Facilities

i. ~~Low~~ Voltage Ride-Through ~~(LVRT)~~ Capability

An Asynchronous Generating Facility shall be able to remain online during voltage disturbances up to the time periods and associated voltage levels set forth in the requirements below.

1. An Asynchronous Generating Facility shall remain online for the voltage disturbance caused by any fault on the transmission grid, or within the Asynchronous Generating Facility between the Point of Interconnection and the high voltage terminals of the Asynchronous Generating Facility's step up transformer, having a duration equal to the lesser of the normal three-phase fault clearing time (4-9 cycles) or one-hundred fifty (150) milliseconds, plus any subsequent post-fault voltage recovery to the final steady-state post-fault voltage unless clearing the fault effectively disconnects the generator from the system. Clearing time shall be based on the maximum normal clearing time associated with any three-phase fault location that reduces the voltage at the Asynchronous Generating Facility's Point of Interconnection to 0.2 per-unit of nominal voltage or less, independent of any fault current contribution from the Asynchronous Generating Facility.

2. An Asynchronous Generating Facility shall remain online for any voltage disturbance caused by a single-phase fault on the transmission grid, or within the Asynchronous Generating Facility between the Point of Interconnection and the high voltage terminals of the Asynchronous Generating Facility's step up transformer, with delayed clearing, plus any subsequent post-fault voltage recovery to the final steady-state post-fault voltage unless clearing the fault effectively disconnects the generator from the system. Clearing time shall be based on the maximum backup clearing time associated with a single point of failure (protection or breaker failure) for any single-phase fault location that reduces any phase-to-ground or phase-to-phase voltage at the Asynchronous Generating Facility's Point of Interconnection to 0.2 per-unit of nominal voltage or less, independent of any fault current contribution from the Asynchronous Generating Facility.

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vi. Transient Data Recording Equipment for Facilities

Asynchronous Generating Facilities must monitor and record data for all frequency ride-through events, transient low voltage disturbances that initiated reactive current injection, reactive current injection or momentary cessation for transient high voltage disturbances, and inverter trips. The data may be recorded and stored in a central plant control system. The following data must be recorded:

Plant Level:

(1) Plant three phase voltage and current
(2) Status of ancillary reactive devices
(3) Status of all plant circuit breakers
(4) Status of plant controller
(5) Plant control set points
(6) Position of main plant transformer no-load taps

(7) Position of main plant transformer tap changer (if extant)
(8) Protective relay trips or relay target data

Inverter Level:

(1) Frequency, current, and voltage during frequency ride-through events
(2) Voltage and current during momentary cessation for transient high voltage events (when used)
(3) Voltage and current during reactive current injection for transient low or high voltage events
(4) Inverter alarm and fault codes
(5) DC current
(6) DC voltage

The data must be time synchronized, using a GPS clock or similar device, to a one millisecond level of resolution. All data except phase angle measuring unit data must be sampled at least every 10 milliseconds. Data recording must be triggered upon detecting a frequency ride-through event, a transient low voltage disturbance that initiated reactive current injection, momentary cessation or reactive current injection for a transient high voltage disturbance, or an inverter trip. Each recording will include as a minimum 150 milliseconds of data prior to the triggering event, and 1000 milliseconds of data after the event trigger. The Asynchronous Generating Facility must store this data for a minimum of 30 days. The Asynchronous Generating Facility will provide all data within 10 calendar days of a request from the CAISO or the Participating TO.

The Asynchronous Generating Facility must install and maintain a phase angle measuring unit or functional equivalent at the entrance to the facility or at the Generating Facility's main substation transformer. The phase angle measuring unit must have a resolution of at least sixteen (16) samples per cycle. The Asynchronous Generating Facility will store this data for a minimum of thirty (30) days. The Asynchronous Generating Facility will provide all phase angle measuring unit data within 10 calendar days of a request from the CAISO or the Participating TO.

Attachment C – Final Proposal

Interconnection Process Enhancements Initiative (IPE 5) Tariff Amendment

California Independent System Operator Corporation

June 5, 2026

Interconnection Process Enhancements 5.0

Revised Final Proposal

February 25, 2026

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California Independent System Operator

Contents

Executive Summary

The ISO's primary objective in IPE 5.0 is to fulfill commitments the ISO made during IPE 2023, after monitoring key elements of the reformed interconnection process and modifying components of the process that did not work. In IPE 2023, the ISO made foundational changes to its interconnection procedures, which were approved by the Federal Energy Regulatory Commission (FERC) without modification or dissent. Initially, cluster 15 interconnection requests in 2023 reached record volumes, widening the gap between requested capacity and the ISO's ability to provide meaningful study results and safely interconnect new resources. The track 2 interconnection process enhancements, implemented in 2024 and 2025, significantly reduced cluster 15 to a more manageable volume scaled to the amount of resources needed over the next 15 years. Nevertheless, the ISO committed to monitoring key elements of the reformed interconnection intake process, and to consider modifications if necessary.

During the IPE 2023 initiative, in both track 2 and track 3, the ISO committed to monitoring and potentially revisiting certain policy items based on cluster 15 implementation. This Final Proposal reflects the ISO's consideration of the cluster 15 process, stakeholder feedback, and the Summary of cluster 15 Scoring Intake Results,[1] posted on June 12, 2025, in order to provide transparency to stakeholders. Additionally, it reflects stakeholder comment on the IPE 5.0 initiative since a Scoping Document was issued in July of 2025. Based on stakeholder feedback on the broad suite of issues explored in this initiative, the ISO proposes the following:

- elimination of the requirement that projects meet the non-LSE's corporate sustainability policies in order to achieve commercial interest points;
- an adjustment to the project size cap on the full allocation election;
- incorporation of distribution system interconnection projects into the intake scoring and the 150% study limit processes;
- allowing operational energy only projects to seek deliverability as part of the Commercial Allocation group in the deliverability allocation process;
- application of commercial viability criteria (CVC) to all projects and capacity in the queue;
- modifications to the ISO as an affected system process;
- modify the commercial readiness deposit due date;
- discontinue the Pre-Application process; and
- modification to the dispute resolution process.

As discussed throughout the IPE 5.0 initiative, the ISO reviewed the reformed

[1] Summary-of-cluster-15-intake-scoring-results.pdf

interconnection request intake process as implemented in cluster 15. For many topic areas, the ISO did not identify a clear need for significant modifications. The ISO will continue to monitor implementation of the reformed interconnection process, seeking opportunities to eliminate friction in the process and to enable faster onboarding of viable resources needed to meet reliability and policy requirements.

1. Introduction and Background

With this paper, the California ISO provides its Revised Final Proposal for the Interconnection Process Enhancements (IPE) 5.0 initiative.

California's ambitious decarbonization goals and the large quantities of new clean resources required to meet them have led the ISO to receive unprecedented numbers of interconnection requests from interested resource developers in 2022 and 2023. The ISO seeks to ensure that grid interconnection, prioritization, and coordination processes are oriented effectively toward planned and existing transmission and interconnection capacity, and that they align with transmission development necessary for longer-term resource development.

In this policy initiative, the ISO builds upon the work completed in the 2023 IPE initiative with slight modifications to the recently reformed process. This Revised Final Proposal is informed by a Summary of cluster 15 Scoring Intake Results,[2] posted on June 12, 2025, and addresses all of the topics included in the IPE 5.0 scoping document. In addition to the Summary of cluster 15 Scoring Intake Results, the ISO filed an Informational Report on cluster 15 with the Federal Energy Regulatory Commission on July 29, 2025.[3]

The Track 2 interconnection process enhancements, implemented in 2024 and 2025, significantly reduced cluster 15 to a more manageable volume scaled to the amount of resources needed over the next 15 years. Nevertheless, the ISO committed to monitoring key elements of the reformed interconnection process, and to consider modifications to the process in light of any lessons learned.

The ISO's goal in this Revised Final Proposal is to focus only on modifications to the recently reformed process that will remove any friction and effectuate timely onboarding of resources essential for meeting near-term reliability needs and longer-term policy objectives:

- elimination of the requirement that projects meet the non-LSE's corporate sustainability policies in order to achieve commercial interest points;
- an adjustment to the project size cap on the full allocation election;
- incorporation of distribution system interconnection projects into the intake scoring and the 150% study limit processes;
- allowing operational energy only projects to seek deliverability as part of the Commercial Allocation group in the deliverability allocation process;
- application of commercial viability criteria (CVC) to all projects and capacity in the

[2] Summary-of-cluster-15-intake-scoring-results.pdf
[3] Microsoft Word - 2025-07-29_ER24-2671_InformationalReport-Cluster15

queue; and

- modest modifications to components of interconnection timelines, processes, and dispute resolution.

The IPE 5.0 Scoping Document and Straw Proposal examined and sought comment on a number of components of the interconnection process that did not present clear issues or concerns to the ISO. As such, the ISO deferred consideration of additional changes to the interconnection process to a future stakeholder initiative, once the ISO and stakeholders go through the entire interconnection process for another cycle or two, to understand the effectiveness of the previous reform effort and revisit any remaining issues. The following topics are not addressed with proposals in IPE 5.0:

- Load-Serving Entity (LSE) commercial interest point allocation process;
- Methodology for the award of commercial interest points based on requested interconnection service capacity;
- Long lead-time resource eligibility for system need points, and allowing long lead-time resources to defer seeking deliverability;
- Deliverability reservations for projects waiting for long lead-time delivery network upgrades;
- Changes to Generator Interconnection Agreement (GIA) execution milestones; and
- Consolidated and searchable data on network upgrades.

The ISO assures stakeholders that it is acutely aware of the need to continue to onboard new projects to support near-term procurement and is working closely with the state energy agencies to identify and accelerate commercially viable projects, in accordance with the ISO's tariff. Fortunately, the ISO's recent interconnection reforms prioritize commercial viability and ensure linkages between planning, procurement, and interconnection. The ISO will continue to look for opportunities to expedite processes in our day-to-day work and will continue to look for opportunities for greater efficiency in future initiatives.

The ISO has reorganized the proposal to focus on several key areas. Section 2 addresses changes to the Interconnection Request intake process. Section 3 describes proposals to modify components of the Transmission Plan Deliverability allocation process. Section 4 proposes changes to queue management and other processes. Section 5 describes the Western Energy Markets Governing Body role, and Section 7 describes next steps for the stakeholder process.

The ISO looks forward to stakeholder feedback on the suite of topics discussed in this Revised Final Proposal.

2. Interconnection Request Intake Process

2.1. Non-LSE commercial interest process

Background and Stakeholder Comments

Under current policy, an interconnection request earns a fixed award of 25 points when the developer submits the ISO-prescribed affidavit from a verifiable corporate, industrial, or financial off-taker that is not a load-serving entity. Because the award is binary, additional letters from the same or different non-LSEs do not increase the score, and any single non-LSE may support only one project per cluster. The ISO committed to ensuring that non-LSE demand signals remain credible and aligned with state and local resource planning. In response, the ISO committed to monitor how the mechanism performs in cluster 15, to examine non-LSE participate in cluster 16, and to revisit both the one-project limit and the 25-point cap if market conditions warrant adjustment. The cluster 15 scoring data suggested that projects with non-LSE points were able to compete effectively in the scoring process. All projects that received points from non-LSEs advanced to the study process, and the ISO has not heard any specific concerns regarding point values from the non-LSE community. Non-LSEs did, however, note that the requirement for non-LSEs to attest to a project meeting corporate sustainability goals was unnecessarily restrictive. Intersect, LSA, and EDF power solutions supported the removal of this requirement in comments on the Draft Final Proposal.

Proposal

The ISO proposes to remove the requirement that the non-LSE affidavits attest that the counterparty is supporting the interconnection request in support of corporate policy goal on sustainability, understanding that non-LSEs may have a variety of needs that can be served by a prospective interconnection customer.

Other requirements will still apply to non-LSEs interested in supporting projects in the commercial interest process, and the ISO will continue to scrutinize every non-LSE commercial arrangement proffered to ensure the company is legitimate, procuring the capacity in a meaningful way, and not affiliated with the interconnection customer or its holding

2.2. Cap on the full allocation election

Background and Stakeholder Comments

In the Draft Final Proposal the ISO proposed to modify the limitation on the full allocation election to provide LSEs sufficient points to allocate to a single project of

interest. The proposal was a simplified approach to what a few stakeholders suggested in earlier comments. The ISO's latest proposal received support from all that commented, with no stakeholder in opposition.

Intersect, LSA, NCPA, SDG&E and Six Cities all support the proposal. No other stakeholder comments were received. Stakeholders did request examples of the difference between the current and the proposed approach. The ISO is not able to provide a link to the CEC Coincident Peak Demand and Load Ratio Share Forecast document provided to the ISO because the LSE load forecasts in that document are confidential. However, the ISO provides a comparison of the previous methodology and the proposed methodology below to illustrate the difference to stakeholders.

Proposal

The ISO proposes to revise the methodology for determining an LSEs cap on the full allocation election to the lesser of 50% of the LSE's forecasted load for the RA load share calculation based on the CEC's Coincident Peak Demand and Load Ratio Share Forecasts or 500 MW. The 50% of the LSE's forecasted RA load share criteria should be sufficient to allow smaller LSEs the ability to select projects of sufficient size to meet their future needs when they receive an allocation of commercial interest capacity that is lower than needed. The 500 MW criteria ensures that larger LSEs are not able to use their larger load shares to select large projects that could dominate the scoring and ranking process. The 500 MW level is based on the 95th percentile of the interconnection service capacity of all projects shown in the queue report that have reached commercial operation. The largest (100th percentile) is 850 MW.

The cap on the full allocation election only applies to LSE's selection of projects requesting Full Capacity Deliverability Status (FCDS) or Partial Capacity Delivery Status (PCDS).[4]

The table below provides examples of various sized LSEs and the results of using the current methodology to calculate the full allocation election cap and the proposed methodology to calculate the cap. These results are based on the CEC forecast of ISO total load and the available TPD determined by the ISO used for cluster 15. While the results for small LSEs are not dramatically different, the difference would be larger under a scenario where the available TPD to allocate to LSE is smaller. The difference for large LSEs is more dramatic and the results are more appropriate under this proposal.

[4] LSEs do not have a full allocation option for Energy Only projects, but Energy Only projects of any size can proceed to the cluster study through the non-reimbursable option.

Comparison of Results from Current Cap and Proposed Cap

CAISO TPD Allocations by Load Share for LSE Commercial Interest Selections

Based on CEC methodology for Coincident Peak Demand Forecasts and Load Ratio Shares for RA, and using the CAISO total load forecast for 2025 and available TPD for cluster 15

Available TPD Capacity (MW)	21,900	TPD Capacity to Allocate	10,950

Load Serving Entity	Total Forecast (MW)	Forecasted RA Load Share	TPD Allocation (MW)	C15 Process[1] Max Single TPD Project Capacity (MW) (1.5 X Colum D)	IPE 5.0 Proposal Max Single TPD Project Capacity (MW)
Example LSE 1	5	0.01%	**1**	**2**	**2.5**
Example LSE 2	10	0.02%	**2**	**4**	**5.0**
Example LSE 3	25	0.05%	**6**	**9**	**12.5**
Example LSE 4	50	0.11%	**12**	**18**	**25.0**
Example LSE 5	100	0.22%	**24**	**36**	**50.0**
Example LSE 6	500	1.1%	**119**	**178**	**250.0**
Example LSE 7	1,000	2.2%	**238**	**357**	**500.0**
Example LSE 8	5,000	10.9%	**1,189**	**1,783**	**500.0**
Example LSE 9	10,000	21.7%	**2,378**	**3,566**	**500.0**
Example LSE 10	15,000	32.6%	**3,566**	**5,350**	**500.0**

[1] See Section 4.1.1 Scoring Criteria of the ISO Tariff Appendix KK

2.3. Incorporation of distribution system interconnection projects into the intake scoring and the 150% study limit processes

Background and Stakeholder Comments

Distribution-level interconnection requests that seek to provide wholesale energy are governed by the PTOs' Wholesale Distribution Access Tariffs (WDAT), and other utilities' similar tariffs. However, the ISO performs the studies and allocates transmission plan deliverability (TPD) to allow WDAT projects to participate in the Resource Adequacy process in the same manner as transmission-connected projects. For many years, distributed energy resources have competed for deliverability under requirements on par with transmission-connected resources. With the creation of the ISO Resource Interconnection Standards (RIS) (ISO Tariff Appendix KK) the methodology for WDAT projects to participate in the deliverability process needs enhancements to ensure that the integrity of the RIS project scoring and 150% of available deliverable transmission capacity limits are maintained.

In the Draft Final Proposal the ISO continued with its proposal to modify the cluster interconnection request intake process that requires any distributed projects seeking to

participate in the ISO markets with deliverability to take part in a cluster deliverability study. The modification is to require distributed projects to submit its project intake scores through the same application that ISO interconnection customers provide their scores during the open window period of a new cluster. The ISO, working with the interconnecting utility, will validate that the project is an active project in the utility's interconnection process and is eligible to seek full or partial capacity deliverability status in the ISO's Resource Interconnection Standards (RIS).[5]

Eligible projects will be included in the cluster scoring and ranking process, competing with ISO interconnecting projects to be included in the RIS studies based on the project's score ranking. If a project's score enabled it to be included in the studies, its resource adequacy eligible capacity would reduce the remaining available delivery capacity for the next project's consideration within the 150% capacity limit for its point of delivery to the ISO controlled grid. These process changes will affect distributed resources seeking deliverability in the future. Distributed resources that already have deliverability or are being studied will not be affected.

Of the two commenters that provided a position, The Six Cities did not oppose, and SCE supports the proposal. SCE requested information on how the coordinated process will work, particularly the timing of the interconnection request submittal and provision of scores during a cluster's open window. In response, distributed projects will provide basic project information and complete the scoring information required by the GRIP portal during the cluster open window for new applications. Following the close of the window, distribution projects will be validated for eligibility with the respective Participating TO or distribution utility and checked for availability of TPD at its point of delivery to the ISO. From this point forward there will be no distinction between projects that proceed through the process of validation of scoring documentation and the ranking of projects by score. Upon FERC approval of the proposal, the ISO will work with Participating TOs and interested distribution utilities to develop the coordination processes that will be necessary to implement the process.

SCE also requested the ISO further explain why distributed projects are not eligible to participate in the merchant process, described in ISO Tariff Appendix KK, Section 4.2 – Criteria for Requests for Deliverability in Merchant Zones. In response, the similar Option (B) process in the GIDAP approved by FERC in 2013, distributed projects were not eligible to select Option (B), and the ISO proposes to continue with that policy.

[5] To be clear, the interconnection request must have an internal delivery point on the CAISO controlled grid (like traditional WDAT requests). The ISO is not proposing a process for external utilities.

Proposal

The ISO tariff will require any distributed projects seeking to participate in the ISO markets with deliverability to take part in a cluster deliverability study.[6] The eligibility of a distributed project to be studied in a cluster study for FCDS will be governed by the Participating TO's WDAT or other interconnection tariffs that allow or prohibit a project to seek FCDS or PCDS under the ISO tariff. ISO and distributed Fast Track projects will not be eligible for the cluster deliverability studies. Eligible distributed projects must submit their project intake scores using the same application process that ISO interconnection customers are required to use to provide their scores during the open window period of a new cluster.[7] The ISO, working with the interconnecting utility, will validate that the project is an active project in the utility's interconnection process and is eligible to seek FCDS in the Participating TO's WDAT or other interconnection tariff. Distributed projects confirmed to be eligible will be checked by the ISO to confirm that the project is seeking to interconnect at a location where its point of delivery to the ISO controlled grid has available TPD, and if not, the project's specific WDAT queue number will not proceed in the ISO study process, and will be considered as Energy Only for any future considerations within the ISO RIS. Projects that are eligible to proceed into the scoring process will be scored and ranked with ISO interconnecting projects using the same intake scoring metrics and will compete with ISO interconnecting projects to be included in the RIS studies based on the project's score ranking. If a project's score enabled it to be included in the studies, its resource adequacy eligible capacity will reduce the remaining available delivery capacity for the next project's consideration within the 150% capacity limit for its point of delivery to the ISO controlled grid. These process changes will affect distributed resources seeking deliverability in the future, beginning with cluster 16. Distributed resources that already have deliverability or are being studied in cluster 15 will not be affected.

Distributed projects will be included in the current tie breaker process used for ISO interconnected projects. The DFAX tie breaker effectively addressed all scoring ties within cluster 15 (which were not numerous in any case), and the auction process was not required for cluster 15. Any distributed projects that would be required to participate in the auction process will be under the financial and other requirements described in Appendix KK, Section 4.1.2.

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[6] Notwithstanding a distributed project's ability to seek deliverability through the Distributed Generation for Deliverability process, https://bpmcm.caiso.com/Pages/BPMDetails.aspx?BPM=Distributed%20Generation%20for%20Deliverability

[7] If a utility accepts distributed projects at other times of the year, the interconnection request will have to wait until the ISO's next cluster window and be submitted for scoring therein. No precedence will be given for timing beyond the cluster itself.

3. Changes to Deliverability Allocation Practices (Revised)

3.1. Allowing Operational Energy Only Projects to Seek Deliverability

Background

IPE 2023 track 2 created a path for Energy Only resources to enter into the interconnection queue. The ISO tariff is clear that for cluster 15 and beyond, "Interconnection Requests that proceed to the cluster study based on the criteria for Energy Only Interconnection Requests may not obtain deliverability for that generating facility and any associated generating units thereafter, including without limitation through transfers, modifications, or the TP Deliverability allocation process."[8]

In the Final Proposal of IPE 5.0 the ISO proposed a path for operational Energy Only projects to seek deliverability through the Commercial Operation allocation group, but required projects to provide a PPA that requires the project's Energy Only capacity to become FCDS. The ISO did not advance an option for operational Energy Only projects to re-enter the queue to seek deliverability, due to several concerns, including the risk to ratepayers of having to pay for expensive upgrades that without such an option would not be built.

Stakeholder Comments

ACP-California encourages CAISO to treat the allocation priority for operational Energy Only projects as open for additional stakeholder consideration and to modify it to permit operational Energy Only projects with an eligible PPA to be included in the PPA group. The ISO has revised the proposal to allow operational Energy Only projects with an eligible PPA to seek an allocation in the PPA group.

CalCCA continues to advocate for revision of the current proposal and suggests allowing a limited number of Energy Only projects to be studied for and finance upgrades if no TPD exists to allocate to them and the projects have Resource Adequacy contracts with LSEs. The ISO believes the revised proposal is the appropriate step to expand the opportunities for operational Energy Only project's eligibility for TPD. If after gaining two or more years of experience with the proposed changes, additional changes are deemed to be needed, the ISO will consider appropriate changes at that time.

Clearway, LSA, and CalWEA have concerns with the requirement for an executed LSE PPA to submit a Commercial Operation group TPD allocation request. They note that

[8] ISO Tariff. Appendix KK Section 4 Cluster Study Criteria

the PPA requirement for Commercial Operation group TPD allocation requests should be eliminated, especially for C14 and earlier projects. In response, the ISO's revised proposal provides the opportunity for all operational Energy Only projects to seek TPD in the Conditional group without a PPA. The ISO will require the same PPA as all other project types to retain a conditional allocation (excluding the non-LSE PPA option)[9]. In making these substantial changes to the proposal for Energy Only projects the ISO emphasizes that all operational Energy Only projects must compete for an LSE PPA based on value to the LSE community and not have queue position dominate the competition. Representing LSEs on the issue, CalCCA observed the concerns stakeholders expressed with the proposed five-year Resource Adequacy contract requirement for projects to use this pathway, but stated no position on the requirement under the context of the ISO's proposal. PG&E cautioned against requiring too much specificity in how long the Resource Adequacy has to be procured in the contract term. The ISO does not propose any modifications to the PPA term requirements for Energy Only capacity from what is currently provided in ISO Tariff Appendix KK for FCDS/PCDS projects.

CalWEA stated that operating projects should receive highest priority given their operational status. The ISO disagrees. The revised proposal has no limit on the number of times an operational Energy Only project can seek TPD. If Energy Only projects were given priority over FCDS projects, Energy Only projects that were able to receive an allocation of TPD, but could not obtain a PPA to retain it, could seek and potentially receive a new allocation year after year, locking out viable FCDS projects. This could result in potentially viable FCDS project not being able to receive an allocation and being withdrawn after their three opportunities to seek TPD are over.

CPUC staff supports the policy explained in the Final Proposal to enable operational Energy Only projects to seek deliverability. This proposal could expand opportunities for developers to finance and construct projects without a deliverability allocation and give LSEs more affordable and timely pathways for additional deliverable supply. The ISO's revised proposal opens up that opportunity to a greater extent.

CalWEA stated the proposal should also amend the tariff to provide that an operating Energy Only project may accept TPD capacity from a queued project at the same POI, subject to all conditions that made the transferring project deliverable. LSA stated the proposal should clarify that TPD can be transferred to cluster 15 and later Energy Only projects after Commercial Operation from projects currently in the queue. In response the ISO's revised proposal makes no changes to the current rules regarding transferring TPD from queued projects to an operational project. The majority of projects that

[9] PPAs associated with Energy Only project capacity in commercial operation must be with an LSE with a resource adequacy obligation, or the interconnection customer is an LSE developing the capacity to meet its own Resource Adequacy obligation. Non-LSE PPAs are not eligible for Energy Only project capacity.

obtained an allocation of TPD did so by demonstrating a PPA and should be honoring those PPAs and not transferring the TPD those PPAs rely on. The number of projects that were able to obtain TPD without a PPA are currently few in number and that number is diminishing over time.

Clearway and LSA commented that the types of eligible PPAs should be expanded to include non-LSE PPAs. The ISO disagrees. In the context of Energy Only projects in operation, the primary project attribute not procured is the resource adequacy capacity. The renewable energy certificates associated with the project that non-LSEs are typically interested in procuring are already being utilized. The ISO does not agree that a non-LSE has a justifiable use for procuring resource adequacy capacity on a stand-alone basis. Furthermore, the premise of deliverability is to provide ratepayers with the benefit of resource adequacy capacity that delivery network upgrades provide. For an online project to represent that it has a PPA that warrants deliverability, any deliverability provided should immediately achieve that intent. Once allocated based on a PPA, the deliverability becomes unavailable to other resources on a permanent basis.

LSA commented on the benefit of deliverability for operational Energy Only projects related to resource adequacy substitution for planned maintenance outages, RAAIM substitution, and resource adequacy shortfalls. The ISO reiterates that the primary purpose of this proposal is to assist LSEs with filling specific resource adequacy shortfalls that Energy Only projects may be able to help fill. The ISO does not agree that this proposal should expand beyond that purpose, providing deliverability for more limited uses such as resource adequacy substitution for planned maintenance outages and RAAIM substitution.

REV supports this proposal, and the limitation to allow only operational Energy Only projects to be eligible for this deliverability allocation. It is important to not allow a bypass around the 150% study limit in the new interconnection intake process. However, if an Energy Only project becomes operational, it has proven commercial viability and should be allowed to compete for deliverability.

Based on comments from CalCCA and PG&E, the ISO adds the clarification that for operational Energy Only projects that are owned by an LSE that is seeking TPD for the purpose of using the project's capacity to meet its own Resource Adequacy obligation, the project qualifies for an allocation within the PPA allocation group without having to demonstrate a PPA with itself.

Proposal

Based on stakeholder comments, the ISO proposes revisions to the Final Proposal for this topic. Energy Only projects that are in commercial operation, regardless of cluster, can seek TPD in the PPA allocation group or the Conditional allocation group, as

applicable. As a result, the ISO proposes to remove the Commercial Operation allocation group. All Energy Only projects will be able to seek TPD once they go into commercial operation within the same TPD allocation process as queued customers.

The following is taken from the IPE 2023 Track 3 Updated Final Proposal that was approved by the ISO Board of Governors in 2025. Proposed revisions (additions and deletions) to that policy are provided as redline changes.

1. **PPA group**: The PPA group will be open to all FCDS and PCDS projects that are eligible to seek TPD at the time the seeking TPD affidavit window opens, and to all Energy Only projects in commercial operation.[10] First priority will be given to FCDS and PCDS. FCDS and PCDS project PPAs must meet the existing PPA eligibility requirements (provided in the ISO Tariff Appendix KK, Section 8.9.2). PPAs associated with Energy Only project capacity in commercial operation must be with an LSE with a resource adequacy obligation, or the interconnection customer is an LSE developing the capacity to meet its own Resource Adequacy obligation. Non-LSE PPAs are not eligible for Energy Only project capacity.

   For non-operational projects the ISO will require that the LSE or non-LSE off-taker verify that the PPA provided by the interconnection customer is active and meets the tariff requirements for a PPA. Then, approximately annually, as part of the TPD retention process, the LSE or non-LSE off-taker must confirm that the PPA is still active and continues to meet tariff requirements. If the PPA with a facility that is not in commercial operation is no longer active or does not meet the requirements, the project will lose its allocation and will be able to re-seek an allocation if its cluster is eligible to do so. However, for non-commercial projects whose cluster has completed its three opportunities to seek an allocation, the project will be required to withdraw.

2. **Conditional group:** This is a distinct new group for any projects without a PPA, similar to the current group D, but without group D restrictions.

   FCDS and PCDS projects:

   First priority will be given to FCDS and PCDS projects without a PPA that opt into a given TPD allocation cycle. A scoring process will be utilized to determine the order that projects are considered to receive available TPD. Conditional allocations must be retained in the following TPD allocation cycle with an executed PPA. If not retained, projects can again seek an allocation if the project's cluster is eligible to

[10] Commercial Operation is defined in the ISO Appendix A as; "The status of a Generating Unit or project phase at a Generating Facility that has commenced generating electricity for sale, excluding electricity generated during Trial Operation." For the purposes of TPD allocation, all capacity associated with a Resource ID must be in commercial operation.

do so through any group (including the Conditional group), using updated project scores.

Operational Energy Only projects:

Second priority for consideration within this group will be given to projects in commercial operation with Energy Only capacity that does not have an eligible PPA. Conditional allocations must be retained in the next TPD allocation cycle with an executed PPA. Only PPAs with an LSE that have a resource adequacy obligation are eligible. Non-LSE PPAs are ineligible. If a conditional allocation is not retained, or if only a portion of the requested allocation is provided, projects can reseek an allocation in future TPD allocation cycles. At this time, no limitation will be placed on the number of times an operational Energy Only project can seek an allocation. All operational Energy Only projects, regardless of their cluster number, will be subject to these requirements equally.

Project Distribution Factors (DFAX) will be used to break any ties between operational Energy Only projects, with the project with the lowest DFAX having the higher priority.

The TPD capacity allocated through the Conditional group will be included in the calculation for determining the amount of available TPD for the next cluster study, thereby reducing the amount of project capacity to be studied.

Allocations obtained through the Conditional allocation group are solely for the purpose of providing the project receiving an allocation with the opportunity to market their project as deliverable for a limited period of time and any allocated amounts are not transferable. Any TPD that is allocated to an operational Energy Only project cannot be transferred to a project in the interconnection queue but can be transferred to another project in commercial operation. Energy Only capacity within an operational project cannot receive TPD via a transfer from a queued (non-operational) project. These limitations will ensure projects do not acquire TPD for the purpose of transferring it to projects that otherwise would not have received an allocation. They also ensure that transfers cannot be used to prolong a TPD reservation staying in queue, depriving ratepayers of the benefit of the transmission capacity.

Projects requesting TPD for Energy Only capacity, including distributed projects, must submit to the ISO a non-refundable $5,000 fee for each request seeking TPD. The fee will be used to fund a study to determine the eligibility of the Energy Only capacity to receive TPD. Since Energy Only projects are not eligible to have a DNU constructed if needed, the capacity will not be eligible for TPD if the study determines that the project is behind a deliverability constraint.

4. Changes to Queue Management and Other Processes

4.1. Application of Commercial Viability Criteria to all projects in the queue. (Revised)

Background and Stakeholder Comments on the Final Proposal

Although the ISO has tariff and BPM language to limit a project's time in queue, enforcing these time-in-queue provisions often requires a time-intensive, project-specific analysis and assumption to ensure the project is still in compliance. The ISO remains concerned with the amount of older, seemingly stagnant projects in the interconnection queue and wants to see projects advance toward commercial operations or withdraw. In the Final Proposal, the ISO proposed application of the commercial viability criteria to all projects. The ISO clarified that projects that cannot meet such commercial viability criteria (CVC) would be withdrawn.

San Diego Gas & Electric requests clarification from CAISO regarding the handling of projects that have stalled in the queue, particularly those that have exceeded or unachievable CODs. SDG&E is concerned there is no formal process to initiate the CVC demonstration requirements outlined in the proposal. The ISO notes that the ISO's Queue Management team is leading an initiative in 2026 to develop and implement a process, in coordination with each PTO, to review each project each year. This effort is intended to establish a level of accountability for all parties, including the PTOs, interconnection customers, and the ISO. The process will evaluate the feasibility of the current milestones, status of the project, upgrades, etc. and determine what necessary actions, if any, are necessary at that time. Resulting actions could include exempt milestone extensions (formerly known as PTO/ISO extensions / PTO delays) the need for projects to submit modification requests, where CVC may need to be demonstrated, or potentially the need for the ISO or PTO to issue a breach-of-contract notice to the interconnection customer.

Southern California Edison supports the application of CVC.

ACP-California appreciates the confirmation that CVC only applies when interconnection customers request a COD extension and does not apply when a PTO construction delay occurs. ACP-California is seeking further clarification that the CVC requirements apply at the time the interconnection customer submits a modification request to extend its COD. The ISO confirms that this CVC policy will take effect upon FERC's ruling of the IPE 5.0 topics and that a CVC demonstration is required at the

time of a modification request is submitted.

California Wind Energy Association believes that CVC does not apply to WDAT projects, while TPD retention does. The ISO notes that each PTO will apply CVC to WDAT projects based on their WDAT tariffs. In the event the WDAT tariff refers to the ISO tariff for applicability, each PTO is responsible for referencing the ISO tariff and applying CVC accordingly.

Clearway and LSA noted a few elements about how and when CVC will apply to Energy Only deliverability status projects and when Energy Only-only PPA may be provided. The ISO notes that energy only projects may utilize CVC exception and provide an Energy Only-only PPA within one year of modification request. And, for clarification, projects with FCDS/PCDS may provide an Energy Only-only PPA to remain active in the queue. Demonstrating an Energy Only PPA will result in the project being converted to Energy Only instead of withdrawn.

LSA raised concerns that the withdrawal of FCDS or PCDS projects seeking COD extensions was only clarified in the final proposal, and not in a previous draft. The ISO clarifies that it was clear in the draft final proposal that the CVC requirements are applicable to all projects. This was not new to the final proposal.

LSA also raised concern of the ISO limiting the use of the one-year exception to use CVC and provide a PPA within one year of modification request to only one time per interconnection request. LSA believes there is need for interconnection customers to use the one-year exception more than once due to permitting or other issues outside the control of the interconnection customer. The ISO provides the following reasons and justification for maintaining that the one-time use of the one-year exception to provide a PPA will remain as a new policy in this proposal. First and foremost, it is expected that projects/interconnection customers will coordinate with their off-taker immediately when project issues arise. The interconnection customer may also need to coordinate with their assigned project manager at the PTO to determine new, reasonable earliest-achievable milestones based on the situation. The interconnection customer and off-taker will need to negotiate updated milestones, including a new COD, and amend their existing PPA, as well as ensure that the other CVC criteria can be met. At this point, the interconnection customer will submit new modification request that meets all CVC requirements. The ISO further notes that providing all projects in queue more chances to remain in queue is not productive to ongoing cluster study results, whereby later cluster study results will likely trigger new, more costly upgrades that have longer-lead timelines to develop. Additionally, it is important to remember that the ISO is obligated to keep the cluster study application window open each year, which will allow for more projects to enter the queue to ensure longer-term development – the lingering projects currently-in queue do not need to remain in the queue to fulfill longer-term procurement

or development needs. Lastly, after a project demonstrates CVC initially, it must continue to demonstrate that CVC, including that the PPA remains active and valid, on an annual basis, and thus, there should be no need for a second use of the CVC exception.

Proposal

For all projects in the queue, including repowers and technology additions via modification requests, the ISO proposes to apply the CVC for any customer request to extend the Commercial Operation Date (COD) where the COD has exceeded or will exceed 7 years from the date the original interconnection request was received. Projects that cannot meet such CVC will be withdrawn. Effectively, this will broaden the applicability of CVC from only projects and capacity with TPD, to all projects and capacity, including Energy Only projects.

To establish a clear set of rules and process timelines, the following criteria will be established:

1. The PPA must be demonstrated at the submittal of the modification request and match the following criteria of the interconnection request:
    a. The deliverability status, technology, and complete megawatt capacity[11,12]
    b. The Point of Interconnection and voltage level
    c. The transacting legal entity (seller) of the PPA must match the interconnection customer, or demonstrate that the legal entity is legally bound to the interconnection customer or parent company
    d. The PPA must follow all other applicable requirements as it would when it sought or retained such TPD allocation.
2. The one-year exception policy to provide a PPA 1-year following the date the modification request is submitted will continue, whereby, if an interconnection customer satisfies all CVC criteria except providing an executed PPA, the ISO will postpone withdrawing the project for one year from the day the interconnection customer submits the modification request, or eight years after the ISO received the original Interconnection Request, whichever occurs later. This exception may only be used one time per interconnection request.
3. Other policies within the commercial viability criteria section will be modified to reflect 'withdrawn,' instead of 'converted to Energy Only.' This includes portions of projects that have achieved commercial operation and that have a phased

[11] Thus, any capacity not procured under the PPA would be required to be removed through downsizing.
[12] A project may provide an Energy Only PPA without a deliverability component to remain in the queue. The project will be converted to Energy Only deliverability status.

portion that remains active in the queue. For example, situations where downsizing the interconnection request to the capacity/technology that has achieved commercial operation.

After a project has demonstrated CVC and when the project must meet the annual CVC demonstration, and in instances when a project receives an 'exempt COD extension' (again, this term refers to circumstances formerly known as a PTO/ISO Extensions or PTO delays), the project will be exempt from the next Annual CVC Demonstration following the exempt COD extension publication. For example, an annual CVC demonstration is due March 15, 2027, however, later that year, a project receives an exempt COD extension published on October 1, 2027. In this case, the project will skip the March 2028 annual CVC demonstration and be required to meet the annual CVC demonstration in March 2029 – providing the project roughly 18 months to renegotiate the PPA with their off-taker. The ISO believes this is fair treatment for when projects receive a COD extension that is outside the interconnection customer's control, as it provides the interconnection customer ample time to renegotiate the PPA with the off-taker and maintain tariff obligations to continue demonstrating CVC annually. If the project cannot demonstrate CVC by the following due date, the project will be withdrawn, consistent with the policy above.

The ISO notes that this reform will only apply to those COD extensions requested by the interconnection customer, including material modification requests or permissible technological advancement requests to align the COD with a PPA. They would not apply where interconnection study results or PTOs or the ISO require longer timelines; those circumstances do not require a modification request from the interconnection customer. If, however, interconnection customers seek additional extensions beyond these longer timelines, CVC would apply.

The ISO believes this proposal aligns the rules between deliverable and Energy Only projects with time-in-queue. The policy will also help ensure that projects do not unduly linger in the queue long past the time they should have acquired a PPA and proceed to construction and commercial operation. The nature of clustering projects means that lingering years in queue can duplicate network upgrades on the assumption that the earlier project will use available headroom or all of the capacity created by the upgrades its cluster triggered. The longer these assumptions persist, the more duplicative upgrades are created, and the more complex they are to unwind should the project ultimately withdraw. Lingering projects also have an administrative cost to track and request updates as they approach milestones.

4.2. ISO as an Affected System process modifications

Background and Stakeholder Comments

Periodically, the ISO receives notification that a project interconnecting to a Balancing Authority Area (BAA) other than the ISO has identified the ISO as a potentially affected system. The potentially affected ISO PTO studies the project for reliability impacts on the ISO system and requires network upgrades as necessary. Recently, the ISO implemented FERC Order No. 2023 changes to the ISO affected system process. Based on the experience gained in implementing those processes, the ISO and PTOs have observed minor procedural enhancements they believe could be implemented easily.

Stakeholders appear to be in support of this initiative. A single comment was received from SCE stating their support specifically for the requirement that technical data and an initial $1,500 study deposit from the Affected System interconnection customer be required once they are notified their project requires an ISO as an Affected System study.

Proposal

The ISO final proposal to the ISO as an Affected System process is unchanged from the Draft Final Proposal:

- Require technical data and an initial $1,500 study deposit from the Affected System interconnection customer once they are notified their project requires an ISO as an Affected System study.
- Clarify that the deficiency cure process will repeat until all deficiencies are cured.
- In addition to receipt of the Study Deposit and Agreement from all cluster members, the start of the maximum 150 calendar day study timeline will begin once all Affected System interconnection customers' requests are deemed complete and valid, the study agreement is executed and the increase to the study deposit as outlined in the study agreement has been made by all parties.
- Remove the requirement to queue Affected System interconnection customer study requests to a position before an interconnection cluster that has yet to complete its cluster study and allow the ISO and affected Participating TO to study the Affected System interconnection customer(s) in coordination with the cluster study process. Relative to the ISO's interconnection customers, the Affected System queue position would be after any earlier queued cluster. A new Affected System study may need to be delayed until an earlier Affected System cluster is completed if they are in the same study area.

- Appendix KK 14.5.6 second paragraph states "The Affected System Study will consist of a power flow, stability, and short circuit analysis." Update this statement to clarify that the affected system study will only include those reliability study elements deemed necessary by the ISO and PTO based on the proposed interconnection.
- ISO as an Affected Systems results meeting may be waived by the Affected System interconnection customer.

4.3. Modify the commercial readiness deposit due date

Background

Although cluster 15 had unique tariff timelines, future clusters will be under ISO Tariff Appendix KK, Section 3.5.1(xi). It requires a commercial readiness deposit equal to two times the study deposit by the close of the interconnection request window for an interconnection request to be deemed complete. Any interconnection customer that has not submitted a complete interconnection request by the close of the window will be deemed incomplete with no opportunity to cure or otherwise be included in the queue cluster. This is a significant requirement for the interconnection customer and takes meaningful coordination between the customer and the interconnecting PTO to review the customer's arrangement for meeting the deposit and ensure it is consistent with the participating transmission owner's requirements.

The ISO proposed in the Draft Final Proposal that the commercial readiness deposits will only be required for projects that have successfully completed the scoring and ranking steps and are proceeding to interconnection request validation. The deposit would need to be acceptable to the interconnecting PTO and completed by the close of the cluster customer engagement window to proceed to the cluster study. Templates for each Participating TO's preferred instruments are posted on the CAISO website and available to be populated and submitted to the Participating TO for review.

Stakeholder Comments

No comments were received on the Draft Final Proposal and only supporting comments were received on the Straw Proposal.

Proposal

The ISO proposes that the commercial readiness deposits will only be required for projects that have successfully completed the scoring and ranking steps and are proceeding to interconnection request validation. The deposit would need to be acceptable to the interconnecting Participating TO and completed by the close of the cluster customer engagement window to proceed to the cluster study. Templates for

each Participating TO's preferred instruments are posted on the CAISO website and available to be populated and submitted to the Participating TO for review.

4.4. Discontinue the Pre-Application process

Background and Stakeholder Comment

ISO Tariff Appendix KK, Section 1.3 provides an opportunity for a customer to request a pre-application report where the PTO is not required to create new information but must compile, gather, and summarize information it has on hand. The process is open only to small generating facilities of 20 MW or less that submit a formal written request form with a non-refundable fee of $300. Customers frequently request information at a time in the process where the information becomes stale before the project would be able to make any actionable decisions. As a result, the process provides somewhat misleading information to the customer, while taking valuable resource time to develop. With all of the data and information that is now being made available prior to each cluster's application window, interconnection customers can access the information that would be provided in a pre-application report on their own. In doing so, the customers can review information that is more extensive than what would be in the report.

In the Draft Final Proposal the ISO proposed to remove Section 1.3 Pre-Application, for ISO Tariff Appendix KK.

No comments were received and only supporting comments were received on the Straw Proposal along with a request for information on historical use of the process, which was provided in the Draft Final Proposal, as well as below.

The table below provides information on the number of Pre-Applications the ISO has processed since 2017. The vast majority of the Pre-Application reports were used for projects larger than the 20 MW limit allowed for the Pre-Application process. Interconnection customers typically do not use the same name in their interconnection request as was in the Pre-Application request, so it is difficult to know how many Pre-Application requests resulted in an interconnection request for a project of 20 MW or less, if any at all. At most, only eleven percent of the 163 Pre-Application requests resulted in an actual interconnection request or 20 MW or less, and it is possible that none of the Pre-Application requests resulted in an appropriately sized interconnection request. The large number of requests from a single entity is further evidence that the process was abused for a period of time.

With all of the data and information that is now being made available prior to each cluster's application window, interconnection customers have access to both more information and more valuable information than would be provided in a pre-application report.

History of Pre-Application Requests

					Status of Actual IRs Received for Projects 20 MW or Less				
Year	Possible Relevant Cluster	Pre-Apps Received	Source of Application	Percent from 1 Entity	Active	Online	Withdrawn	Total	Percent of Pre-Apps that may have resulted in an IR
2023	C15	3	various entities				1	1	33%
2022		3	various entities					-	0%
2021	C14	15	various entities				4	4	27%
2020	C13	15	various entities				2	2	13%
2019	C12	71	58 from 1 entity	82%		1		1	1%
2018	C11	37	20 from 1 entity	54%	1		1	2	5%
2017	C10	19	17 from 1 entity	89%	1	1	6	8	42%
	Totals	163			2	2	14	18	11%

Proposal

The ISO proposes to remove Section 1.3 Pre-Application, for ISO Tariff Appendix KK.

4.5. Modifications to the GIDAP Executive Dispute Committee

Background and Stakeholder Comments

Projects deemed withdrawn have the option of appealing their withdrawal to the "GIDAP Executive Dispute Committee," which the tariff defines as "the Vice President responsible for administration of [the] GIDAP, the CAISO Vice President responsible for customer affairs, and an additional Vice President." (Although the committee is named for the GIDAP, it also administers clusters under the GIP and RIS as well.) To ensure the process is expeditious, the committee only has five business days to uphold the withdrawal or restore the interconnection request. However, the rapid timeline coupled with the strict definition of the committee can be challenging for the CAISO to administer when one of the named vice presidents is unavailable if a dispute arises.

In the Straw Proposal, LSA asked the ISO to consider enabling the vice presidents on the committee to appoint a direct report of a vice president if the named vice presidents are unavailable. In the Draft Final Proposal, the ISO sought stakeholder feedback on this approach but did not receive comments on the matter. As such, the ISO does not propose enabling the vice presidents on the committee to appoint a direct report of a vice president.

Proposal

The ISO proposes to enable the named vice presidents on the committee to appoint another ISO vice president as a delegate if the named vice presidents are unavailable. This will avoid any risk of non-compliance with the five-business day requirement. Maintaining the timeline for withdrawal appeals will ensure that interconnection customers can resolve any disputes rapidly, and without having a belabored dispute affect ongoing studies and base cases.

5. WEM Governing Body Role

This initiative proposes certain tariff amendments to enhance the process for studying and approving interconnection requests. ISO staff believes that these proposed tariff changes will go to the Board of Governors only and that the Western Energy Markets Governing Body will have no role in the decision.

The WEM Governing Body has primary authority over any

> "proposal to change or establish a tariff rule applicable to the WEIM/EDAM Entity balancing authority areas, WEIM/EDAM Entities, or other market participants within the WEIM/EDAM Entity balancing authority areas, in their capacity as participants in WEIM/EDAM… The scope of this joint authority excludes, without limitation, any other proposals to change or establish tariff rule(s) applicable only to the CAISO balancing authority area or to the CAISO-controlled grid."[13]

Charter for WEIM and EDAM Governance § 2.2.1. The tariff changes proposed here would not be "applicable to the WEIM/EDAM Entity balancing authority areas, WEIM/EDAM Entities, or other market participants within the WEIM/EDAM Entity balancing authority areas, in their capacity as participants in WEIM/EDAM." Rather, they would be applicable "only to … the CAISO-controlled grid." Accordingly, these proposed changes to implement these enhancements would fall outside the scope of the WEM Governing Body's primary authority.

The WEM Governing Body also has an advisory role that extends to any "proposals to change or establish tariff rules that would apply to the real-time and/or day-ahead market but are not within the scope of its primary authority." This initiative, however, does not propose changes to the rules of the real-time or day-ahead markets.

Stakeholders are encouraged to submit a response in their written comments to the proposed classification as described above, particularly if they have concerns or questions.

[13] Charter for WEIM and EDAM Governance § 2.2.1.

6. Stakeholder Initiative Schedule

This Revised Final Proposal addressed two issues from the Final Proposal, which otherwise received significant stakeholder support and approval. Given the limited changes between the Final Proposal and the Revised Final Proposal, the ISO asks stakeholders to focus comments on the updated proposals in this paper; the process for allowing operational Energy Only projects to seek deliverability, and the clarifications to the application of CVC to all projects in the queue.

The schedule for stakeholder engagement is below. The schedule anticipates that to provide time for filing tariff changes to FERC, implementing process changes ahead of opening the cluster 16 application window October 1, 2026, and to hold the various training events on a timely basis prior to the window, the ISO intends to present the entire Revised Final Proposal to the ISO Board of Governors in April 2026.

	Interconnection Process Enhancements 5.0 Schedule
2/25/2026	Post Limited Revisions to the Final Proposal and Revised Final Proposal (two documents)
3/2/2026	Stakeholder call on the Limited Revisions to the Final Proposal
3/17/2026	Comments due on the Limited Revisions to the Final Proposal
4/30/2026	Board of Governors Meeting (decision)

Attachment D – Board Memorandum

Interconnection Process Enhancements Initiative (IPE 5) Tariff Amendment

California Independent System Operator Corporation

June 5, 2026

California ISO

Memorandum

To: ISO Board of Governors

From: Neil Millar, Vice President, Transmission Planning and Infrastructure Development

Date: April 22, 2025

Re: **Decision on interconnection process enhancements 5.0 initiative**

This memorandum requires ISO Board of Governors action.

EXECUTIVE SUMMARY

Management requests the ISO Board of Governors' approval of changes developed in the fifth iteration of the interconnection process enhancements (IPE 5.0) initiative.

The ISO made significant reforms to the interconnection intake process, deliverability allocations, and queue management in the 2023 IPE initiative. During that initiative, in both track 2 and track 3, the ISO committed to monitoring and potentially revisiting certain policy items based on implementation during queue cluster 15. The IPE 5.0 revised final proposal reflects the lessons learned from previous reforms and responds to stakeholder feedback. The ISO proposes the following:

1. Modifications to the interconnection request intake process:
    a. Remove the requirement that projects meet a non-load-serving entity's (LSE's) "corporate sustainability" policy to earn commercial interest points in the intake scoring process;
    b. Adjust the generator size cap on the "full allocation election" in scoring to enable more meaningful participation by LSEs of all sizes;
    c. Bring distribution system interconnection requests into the same scoring process and limitations as transmission-level projects;
2. A modification to the deliverability allocation process to allow operational energy only projects to seek deliverability.
3. Stronger focus on project readiness by applying clear commercial viability criteria to all projects and capacity in the queue, including energy only projects, when they seek extensions to remain in queue beyond seven years from their request.

4. Efficiency improvements:

    a. Simplify the "ISO as an affected system process"

    b. Modify the commercial readiness deposit due date

    c. Discontinue the pre-application process to reduce delays, and

    d. Allow an alternate individual to serve on the Executive Review Dispute Resolution Committee.

The proposal demonstrates the ISO's pioneering commitment to aligning resource and transmission planning activities, interconnection processes, and resource procurement, and, in so doing, supports the strategic direction established by the December 2022 Memorandum of Understanding among the ISO, California Public Utilities Commission, and California Energy Commission.[1]

Management recommends the following motion.

> ***Moved, that the ISO Board of Governors approves the proposed interconnection process enhancements 5.0 initiative, as described in the memorandum dated April 22, 2026; and***
>
> ***Moved, that the ISO Board of Governors authorizes Management to make all necessary and appropriate filings with the Federal Energy Regulatory Commission to implement the proposal, including any filings that implement the overarching initiative policy but contain discrete revisions to incorporate Commission guidance in any initial ruling on the proposed tariff amendment.***

DISCUSSION AND ANALYSIS

The IPE 5.0 initiative builds on the 2023 IPE effort by updating elements of the interconnection request intake, deliverability allocation, and queue management processes to create efficiencies and adapt to current interconnection dynamics.

Modifications to the interconnection request intake process

- **Remove the requirement that non-LSE affidavits attest to corporate goals on sustainability:** Cluster 15 scoring showed that projects with non-LSE points were competitive. As a result, the only proposed change is to remove the requirement for non-LSEs to attest to a project meeting corporate sustainability goals.

- **Revise the methodology for determining the load-serving entity cap on the "full allocation election" to provide load-serving entities sufficient capacity for a single project of interest.** In the intake process, LSEs can spread their

[1] https://www.caiso.com/Documents/ISO-CEC-and-CPUC-Memorandum-of-Understanding-Dec-2022.pdf

points across multiple projects or give a single project their "full allocation." The full allocation is currently capped at 150% of the LSE's points, which are based on its available deliverability. The ISO proposes revising this cap to the lesser of 50% of the load-serving entity's forecast resource adequacy load or 500 megawatts (MW). This proposed cap should be sufficient to allow smaller LSEs the ability to select projects of sufficient size to meet their future needs. The 500 MW criteria ensures that larger LSEs are not able to use their larger load shares to select large projects that could dominate the scoring and ranking process.

- **Include distribution system interconnection projects in the cluster intake scoring process and 150% study limit:** While distribution-level interconnection requests seeking to provide wholesale energy are governed by participating transmission owners' tariffs, the ISO performs the studies and allocates deliverability to allow such projects to participate in the resource adequacy process in the same manner as transmission-connected projects. Under this proposal, eligible distributed projects seeking to participate in ISO markets with deliverability will be included in the cluster scoring and ranking process, competing with other projects based on the project's score ranking. This ensures a level playing field for deliverability.

Modification to the deliverability allocation process

In track 3 of IPE 2023, stakeholders asked the ISO to explore whether operational energy only projects should be allowed to seek (or re-seek) deliverability. In response, the IPE 5.0 proposal creates a new pathway for operational energy only projects to come online and later seek deliverability. Any energy only projects that are in commercial operation, regardless of cluster, can seek deliverability in either the "Power Purchase Agreement (PPA) allocation group" or the "conditional allocation group," as applicable. The ISO also proposes to remove the existing "commercial operation allocation group" to avoid distinguishing among online and new projects, enabling them to compete for LSE interest and deliverability under the same criteria. Once an energy only project reaches commercial operation, it may seek deliverability in the same deliverability allocation process as queued projects. PPAs with non-LSEs will not be eligible for online energy only projects to receive deliverability. In addition, because energy only projects are not eligible to have a deliverability network upgrade constructed if needed, a project will not receive deliverability if it is behind a deliverability constraint. Doing otherwise would tie up deliverability allocations for years and create significant hurdles for greenfield projects to trigger delivery network upgrades.

Application of commercial viability criteria to all projects and capacity in the queue

Commercial viability criteria ensure that interconnection projects continue to make progress if they stay in the queue beyond the seven years allowed under the tariff. To remain in queue beyond this time, projects must demonstrate they have a PPA and are progressing toward construction. Currently, these criteria only apply to deliverable projects. If they fail to meet these criteria, they are converted to energy only status. This has led to a growing number of energy-only projects in the ISO queue, without any

obligation to withdraw. The ISO proposes that all projects, energy-only and deliverable, will be subject to the commercial viability criteria, and that failure to meet them will result in withdrawal from queue.

Additionally, the ISO proposes to clarify:

- The interconnection customer's PPA must match the interconnection request in terms of deliverability status, technology, capacity (MW), point of interconnection, voltage level, and transacting legal entity (seller of PPA).

- If an interconnection customer meets all commercial viability criteria except provision of an executed PPA, the ISO will maintain the one-year safe harbor to submit the PPA. During this period, the project's withdrawal will be deferred for one year from the day of the modification request, or until eight years after the original interconnection request, whichever is later. Each project may use this safe harbor provision only once.

The ISO notes that an interconnection customer will not be required to demonstrate commercial viability criteria when a commercial operation date extension is imposed by the participating transmission owner or the ISO. Additionally, in the event that a participating transmission owner or ISO extension is applicable after the project demonstrates commercial viability criteria, the project will be exempt from the next annual commercial viability criteria demonstration following issuance of the extension notice.

Process efficiencies

- **Streamline the "ISO as an affected system" process:** The ISO is identified as an affected system when a neighboring Balancing Authority Area studies a generation project that might impact the ISO system. In these cases, the potentially affected ISO participating transmission owner studies the project for reliability impacts and identifies any necessary network upgrades. To address affected system challenges in the East, FERC expanded the affected system process in Order No. 2023, and the ISO complied. Recently, the ISO and participating transmission owners have observed minor procedural enhancements to this process, described below:

    1. Require technical data and an initial $1,500 study deposit from the affected system interconnection customer once they are notified that their project requires an affected system study.

    2. Clarify that the deficiency cure process will repeat until all deficiencies are cured.

    3. The start of the maximum 150 calendar day study timeline will begin once all affected system interconnection customers' requests are deemed complete and valid, the study agreement is executed and the increase to the study deposit as outlined in the study agreement has been made by all parties.

4. Allow the ISO and affected participating transmission owners to study the affected system interconnection customer(s) in coordination with the cluster study process.

5. Clarify that the affected system study will only include those reliability study elements deemed necessary by the ISO and participating transmission owner based on the proposed interconnection.

6. Allow affected system interconnection customers to waive the results meeting.

These minor modifications will improve processes for developers and affected systems while preserving quick turnaround for affected system studies.

- **Modify the commercial readiness due date:** Rather than requiring commercial readiness deposits for every interconnection request, the ISO proposes to require them from projects that have successfully completed the scoring and ranking steps and are proceeding to interconnection request validation.

- **Discontinue the pre-application process:** Currently, developers of projects under 20 MW may request a "pre-application report, which requires the participating transmission owner to compile information well before the actual interconnection request materializes. Much of this data is available in public base cases, but pre-application reports quickly become outdated, and the information can be misleading to interconnection customers. Because the ISO now provides interconnection data prior to the interconnection request application window, the ISO proposes to remove the pre-application report option.

- **Modification to the composition of the Generator Interconnection and Deliverability Allocation Procedures (GIDAP) Executive Dispute Resolution Committee:** Projects withdrawn from the queue have the option to appeal their withdrawal to the "GIDAP Executive Dispute Resolution Committee," which is currently comprised of the Vice President responsible for administration of interconnection, the Vice President responsible for customer affairs, and an additional Vice President. The Committee has five business days to uphold the withdrawal or restore the interconnection request. The rapid timeline coupled with the strict definition of the committee can be challenging for the ISO to administer when one of the named Vice Presidents is unavailable. Thus, the ISO proposes to enable the named Vice Presidents on the Committee to appoint another ISO Vice President as a Delegate if the named Vice Presidents are unavailable in order to minimize the risk of non-compliance with the five-business day requirement and to ensure swift resolution of any disputes.

Consideration of additional enhancements

The ISO will continue to monitor the efficiency and efficacy of the reformed interconnection process throughout the cluster 16 cycle and will consider additional changes to the interconnection process in a future stakeholder initiative.

POSITIONS OF THE PARTIES

The ISO posted a final proposal on December 22, 2025, which received general stakeholder support and some requests for clarification, particularly on the section allowing energy-only projects to seek deliverability and the broadened application of commercial viability criteria. In response to these requests for comments, the ISO posted a revised final proposal on February 25, 2026. The IPE 5.0 revised final proposal also received broad stakeholder support, with some stakeholders asking the ISO to enable additional flexibility in future IPE initiatives.

A vast majority of stakeholders supported the modifications to the interconnection request intake process, recognizing the rationale for these changes. While stakeholders were generally supportive of the modifications to the cap on the full allocation election, two larger load-serving entities expressed concerns that the 500 MW limit to projects may be arbitrary and overly restrictive. The ISO notes that the 500 MW limit is based on the 95th percentile of the interconnection service capacity of all projects shown in the current queue report that have reached commercial operation. Further, this limitation only applies in instances when an LSE wants to dedicate its entire commercial interest allocation to one project. Large LSEs with higher point allocations are otherwise not prevented from allocating commercial interest points to a project larger than 500 MW and can allocate points to multiple projects summing well beyond 500 MW.

Stakeholders were broadly supportive of incorporating distribution-level projects into the interconnection request intake and study process.

All stakeholders supported the ISO's responsiveness and willingness to allow operational energy-only projects to seek deliverability, viewing this modification as an elegant solution and a step in the right direction. However, a few stakeholders asked the ISO to commit to exploring additional enhancements to make more energy only projects fully deliverable by allowing them into the deliverability study process, so they have the option to fund network upgrades. The ISO has discussed these requests with stakeholders and will consider additional opportunities for energy only projects to seek deliverability in future initiatives. Two stakeholders objected to the ISO's proposal to limit transfers of deliverability from one project to an operational energy only project. The ISO has been firm that such limitations on transfers of deliverability are intended to prevent other projects from acquiring deliverability for the purpose of transferring it to projects that otherwise would not have received an allocation, which would deprive ratepayers of the benefit of the transmission capacity.

Stakeholders were generally supportive of the broader application of commercial viability criteria. One stakeholder, however, opposed the one-time limit for the PPA exception, asking that the ISO clarify that it would only apply going forward, i.e., that projects that have exercised this option in the past would be allowed to do so one more time, if they must request a commercial operation date extension again. The ISO notes that a second use of the one-year PPA exception should not be necessary, as projects that meet commercial viability criteria are then subject to demonstration that they have an active PPA on an annual basis. No projects have utilized a second use of the one-

year exception to date. The ISO is expressly clarifying policy that the exception may not be used a second time.

Nearly all stakeholders expressed comfort with or support for the efficiency enhancements to ISO interconnection processes. One stakeholder expressed opposition to the removal of the pre-application process unless the ISO provides additional information on substation access and physical feasibility data. The ISO is continuously considering how to improve data available to stakeholders in advance of the interconnection application window.

A comprehensive summary of stakeholder comments and ISO responses is included in Attachment A.

CONCLUSION

Management recommends approval of the IPE 5.0 reforms. These reforms are designed to clarify and simplify elements of the interconnection request intake process, improve access to deliverability, expand queue management practices, and promote efficiency in the ISO's interconnection processes.

Attachment E – Tariff Clarifications Table

Interconnection Process Enhancements Initiative (IPE 5) Tariff Amendment

California Independent System Operator Corporation

June 5, 2026

Tariff	Section	Revision	Reason for Change
Tariff	25.1(g)1)	Once these criteria have been completed, the Generating Unit must apply as follows: (1) each Generating Unit possessing Subscriber Rights and receiving Deliverability from TPP-approved Network Upgrades shall apply for TP Deliverability allocation through the submission of a Subscriber Participating TO specific deliverability allocation request ~~subject to Appendix DD, Section 8.9~~ and does not submit an Interconnection Request under Section 25;	Removed unnecessary cross reference, now anachronistic. Words suffice. Units will apply per applicable tariff appendix.
DD & KK	6.8	"Error or omission" references throughout sections changed to “revision”	"Error or omission" misleadingly implies a causal analysis for each study report revision. Replacing these references with "revision" clarifies that customer is protected from substantial revisions without determination of ISO/PTO "error."
DD & KK	6.8.1 6.8.4	A ~~substantial error or omission~~revisions shall mean a~~n error or omission~~revision that results in one or more of the following: ~~understatement or overstatement~~an increase 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; 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 by the counterparty.	Understatement/overstatement language is confusing, and only cost increases may result in refunds or extensions (cost decreases benefit the customer). Clarification also needed that power purchase agreements terminated by the interconnection customer itself do not constitute substantial errors (repeated in 6.8.4). Removes loophole where interconnection customers can terminate their own power purchase agreements to be eligible for larger refunds.
DD	6.8.3	[Section removed except remaining still applicable provision]: “Any revision found after the second Interconnection Financial Security posting will not increase the Interconnection Customer’s Current Cost Responsibility, Maximum Cost Responsibility, or Maximum Cost Exposure.”	Because Cluster 14 and earlier will have all made their second posting by the effective date of these tariff revisions, they are moot, and removing the language clarifies the impact revisions can have now for these customers. All customers still protected by Section 6.8.4.

Tariff	Section	Revision	Reason for Change
KK	2.4.3.1	The Cluster Studies will also identify LDNUs that have selected Full Capacity or~~,~~ Partial ~~and~~ Capacity Deliverability Status, as applicable.	Typographical errors: Full Capacity or Partial Capacity Deliverability Status are only available deliverable statuses.
KK	2.4.3.2	~~Before~~ After 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.	Reassessment/restudy occurs after each Cluster Study, not before.
KK	3.1	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 ~~forward a copy~~provide access to ~~of~~ the Interconnection Request to the applicable Participating TO within five (5) Business Days of ~~receipt~~ when the Interconnection Customer satisfies the Cluster Study criteria under Section 4 of this RIS.	Anachronistic, misleading language: CAISO provides online access rather than forwarding copies. Also, per Section 3.5.2.1 of the RIS, validation process does not begin until after cluster study criteria are satisfied, so timeline should begin then rather than receipt.
KK	3.5.2.2	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.	Grammatical correction.

Tariff	Section	Revision	Reason for Change
KK	3.6.1.1 3.6.1.4	The ~~M~~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	Adding article to sub-provisions for consistency with rest of section.
KK	3.6.1.2 (B) 3.6.1.2 (F)	The number of Interconnection Requests to the CAISO Controlled Grid that had Cluster Restudies completed beyond the one hundred ~~fifty~~ eighty (1~~5~~80) ~~Calendar~~ d~~D~~ays after the~~ close of the Customer Engagement Window~~ Cluster Study Report Meeting;	Inadvertent copy of 3.6.1.1(B). Revised to correspond to actual restudy timeline per Section 7.4 of the RIS.
KK	3.6.1.4 (E)	~~(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;~~	(D) and (E) are duplicative (although (E) was missing article at beginning of provision). *Pro forma LGIP* only has (A)-(F). Rest of provision re-lettered to reflect removal of (E).
KK	3.8	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 interconnection queue on the CAISO Website~~OASIS Queue Position posting~~; . . .	Misleading language. OASIS only contains link to CAISO generator interconnection queue spreadsheet. Additionally, the queue position does not change; the interconnection request is moved to the "withdrawn" tab.

Tariff	Section	Revision	Reason for Change
KK	3.10(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;	Reference to 4.6 is incorrect carryover from GIDAP. No cross-reference is necessary.
KK	4.1 (4)	If Interconnection Customers with the same scores would exceed the 150% limit, the CAISO will use those Interconnection Customers with the lowest distribution factors until it reaches the 150% limit. The distribution factor is the percentage of the Interconnection Customer's incremental increase in output that flows on a particular transmission line or transformer when the displaced generation is spread proportionally across all dispatched resources in the ~~Control~~ Balancing Authority Area.	Control Area is an outdated term for Balancing Authority Area.
KK	4.1.2	Interconnection Customers that win an auction and proceed to the Cluster Study must post an auction deposit by the end of the Cluster Engagement Window. The auction deposit may be in any form or combination of forms under Section 11.1. The value of the auction deposit is the product of the dollar value of the lowest winning bid in that Transmission Zone and the MW capacity of the Interconnection Customer's own Generating Facility at the Point of Interconnection. The CAISO and Participating TO will release or refund with any interest the auction deposit when the ~~Interconnection Customer~~Generating Facility achieves Commercial Operation. If an Interconnection Customer withdraws its	A Generating Facility achieves Commercial Operation, not an Interconnection Customer. Resolves potential ambiguities for phased generating facilities consistent with GIAs and current policy.

Tariff	Section	Revision	Reason for Change
		Interconnection Request, or is deemed withdrawn, it will lose the following portion of the auction deposit:	
KK	5.1	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. Fast Track Interconnection Requests may not obtain Deliverability for that Generating Facility and any associated Generating Units thereafter, including without limitation through transfers, modifications, or the TP Deliverability allocation process.	Clarifies that Fast Track interconnection requests remain Energy Only, per Section 5.1. Avoids obtaining deliverability outside of competitive intake scoring process and keeps Energy Only interconnection requests on level playing field per Section 4 of the RIS (where sentence is first stated for Energy Only requests).

Tariff	Section	Revision	Reason for Change
KK	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.	The Independent Study Process was removed in the Order No. 2023 compliance proceeding.
KK	6.7.2.3	Modification timelines/deposits	Adds previously approved tariff revisions from October 2024 queue management filing held until Order No. 2023 compliance was approved. *Cal. Indep. Sys. Operator Corp.*, 189 FERC ¶ 61,195 at P 3 (2024).
KK	6.7.2.7	Modification timelines/deposits	Adds previously approved tariff revisions from October 2024 queue management filing held until Order No. 2023 compliance was approved. *Cal. Indep. Sys. Operator Corp.*, 189 FERC ¶ 61,195 at P 3 (2024).
KK	6.7.4	~~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.~~	Anachronistic. Already occurred. (All other changes to section explained in transmittal letter)
KK	6.8.3	[Section removed]	Confusing and misleading to have this section in the RIS/Appendix KK. Earlier clusters are subject to Appendix DD, not KK. (All other changes in Section 6.8 match changes to mirrored provision in Appendix DD, explained above)

Tariff	Section	Revision	Reason for Change
KK	7.4.1 8.1.1	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 the Interconnection Customer upon withdrawal in accordance with Section 3.8 of this RIS.	The existing language in Section 7.4.1 and 8.1.1 suggests an incorrect, unnecessary restriction on the form of the Commercial Readiness Deposit, which is governed correctly by Section 11 of the RIS.
KK	7.6 (d) 7.6(e)	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. 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 seventy-five (75) days of the CAISO's submission to the Participating TO of the financial security liquidation form.	Typo: period is missing from the end of the first paragraph. Spelling of 75 added consistent with rest of Appendix KK.
KK	8.9.1	References to GIDAP throughout changed to RIS	Reference to GIDAP should be RIS. Interconnection customers subject to the RIS are not subject to the GIDAP. Cross-references are incorrect carryovers from GIDAP language in Order No. 2023 compliance filing.

Tariff	Section	Revision	Reason for Change
KK	10.1(b)	The Current Cost Responsibility provided in the Cluster Studies establishes the basis for the ~~initial~~ Commercial Readiness Deposit.	"Initial" is incorrect and misleading because the cluster study estimates do not inform the deposits until the second Commercial Readiness Deposit. (The initial Commercial Readiness Deposit comes before any study.)
KK	11.1	Notwithstanding any other provision, Interconnection Customers owned by Participating TOs, and interconnecting to their own Participating TO service area, are not required to post Commercial Readiness Deposits or GIA Deposits to themselves. If the Interconnection Customer withdraws, it must remit all funds that would have been forfeited upon withdrawal or termination absent this exemption.	Re-codifies that interconnection customers owned by transmission owners do not have to submit deposits to themselves, but must remit all funds that would have been required if they withdraw. Similar provision was in Section 11.2.1 of GIDAP, but was inadvertently not carried over into RIS in Order No. 2023 compliance filing. *See Calif. Ind. Sys. Op. Corp.*, 166 FERC ¶ 61,113 at PP 3, 10 (2019).
KK	13.3.1	Implementation Deposit	Adds previously approved tariff revisions from October 2024 queue management filing held until Order No. 2023 compliance was approved. *Cal. Indep. Sys. Operator Corp.*, 189 FERC ¶ 61,195 at P 3 (2024).
KK	13.6	Shared Network Upgrades	Adds previously approved tariff revisions from October 2024 queue management filing held until Order No. 2023 compliance was approved. *Cal. Indep. Sys. Operator Corp.*, 189 FERC ¶ 61,195 at P 3 (2024). Defined terms adjusted to match Order No. 2023 defined terms. Note that per Order No. 2023 and Article 11.5 of the GIA, the PTO will use the GIA Deposit before requiring additional security for shared network upgrades.
KK	App. 3; Section 11	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.~~	Last sentence is improper carryover from GIDAP. Withdrawal penalties already covered in reference to Section 3.8.

Tariff	Section	Revision	Reason for Change
KK	App B to App 3	In-Service Date: _____ ~~r~~ Please provide any additional modification request pursuant to Section 6.7.2.2 pf Appendix KK.	Typographical error
KK	App B to App 3	~~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.~~	Anachronistic language from Appendix DD. Option A and B no longer exist, and deliverability choice is made upon interconnection request submission.
KK	App B to App 3	Please provide any additional modification request pursuant to Section 6.7.2.2 of~~p~~ Appendix KK	Typographical error
KK	App. 4; Section 4.3	Confidentiality: Confidential Information shall be treated in accordance with Section 15~~4~~.1 of the RIS.	Typo. Reference should be to Section 15.1.

Tariff	Section	Revision	Reason for Change
EE, LL (LGIA)	11.4.1.4	~~If the Large Generating Facility fails to achieve Commercial Operation, but it or another generating facility is later constructed and makes use of the Network Upgrades, the Participating TO shall at that time reimburse Interconnection Customer for the amounts advanced for the Network Upgrades. Before any such reimbursement can occur, the Interconnection Customer, or the entity that ultimately constructs the generating facility, if different, is responsible for identifying and demonstrating to the Participating TO the appropriate entity to which reimbursement must be made in order to implement the intent of this reimbursement obligation.~~	Anachronistic provision predating interconnection financial security and withdrawal penalty structures. Inconsistent with current processing of refundable and non-refundable funds for withdrawals (*e.g.*, directly contradicts current policy for post-GIA withdrawals in Section 11.4.2. of Appendix DD). Removed for clarity.
FF, MM (SGIA)	5.3.1.4	~~If the Small Generating Facility fails to achieve commercial operation, but it or another generating facility is later constructed and makes use of the Network Upgrades, the Participating TO shall at that time reimburse Interconnection Customer for the amounts advanced for the Network Upgrades. Before any such reimbursement can occur, the Interconnection Customer, or the entity that ultimately constructs the generating facility, if different, is responsible for identifying the entity to which reimbursement must be made.~~	Anachronistic provision predating interconnection financial security and withdrawal penalty structures. Inconsistent with current processing of refundable and non-refundable funds for withdrawals (*e.g.*, directly contradicts current policy for post-GIA withdrawals in Section 11.4.2. of Appendix DD). Removed for clarity.
LL	Definitions	Local Deliverability Constraint shall mean a transmission system operating limit modeled in the ~~GIDAP~~ study process that would be exceeded if the CAISO were to assign full capacity or partial capacity deliverability status to one or more additional generating facilities interconnecting to the CAISO Controlled Grid in a specific local area, and that is not an Area Deliverability Constraint.	GIDAP is anachronistic; no reference necessary.
LL	Definitions	Local Delivery Network Upgrade shall mean a transmission upgrade or addition identified by the CAISO in the ~~GIDAP~~ study process to relieve a Local Deliverability Constraint.	GIDAP is anachronistic; no reference necessary.

Tariff	Section	Revision	Reason for Change
LL	Definitions	Merchant Network Upgrades - Network Upgrades constructed and owned by an Interconnection Customer or a third party pursuant to Article 5.1.5 of this LGIA, Section 14.3 of the ~~GIDAP~~RIS, and Sections 24.4.6.1 and 36.11 of the CAISO Tariff.	Reference to GIDAP when it should be RIS.
LL	Definitions	~~Option (A) Generating Facilities shall mean a Generating Facility for which the Interconnection Customer has selected Option (A) as the Deliverability option under Section 7.2 of Appendix DD or KK.~~	Option (A), Option (B), and Section 7.2 were removed from RIS. Updates GIA to remove anachronistic references.
LL	Definitions	~~Option (B) Generating Facilities shall mean a Generating Facility for which the Interconnection Customer has selected Option (B) as the Deliverability option under Section 7.2 of Appendix DD or KK.~~	Option (A), Option (B), and Section 7.2 were removed from RIS. Updates GIA to remove anachronistic references.
LL	Definitions	Precursor Network Upgrades (PNU) shall mean Network Upgrades required for the Interconnection Customer consisting of (1) Network Upgrades assigned to an earlier Interconnection Customer in an earlier Queue Cluster, Independent Study Process, or Fast Track Process, that has executed its GIA ~~pursuant to Section 14.2.2 of the GIDAP~~ ; and (2) Network Upgrades in the approved CAISO Transmission Plan.	GIDAP is anachronistic; no reference necessary.
LL	Definitions	Scoping Meeting shall mean the meeting among representatives of the Interconnection Customer, the applicable Participating TO(s), and the CAISO conducted for the purpose of discussing the proposed Interconnection Request and any alternative interconnection options, exchanging information including any transmission data and earlier study	Reference to GIDAP should be RIS; "this" incorrect.

Tariff	Section	Revision	Reason for Change
		evaluations that would be reasonably expected to impact such interconnection options, refining information and models provided by Interconnection Customer(s), discussing the Cluster Study materials posted to OASIS pursuant to Section 3.5 of the~~is~~ ~~GIDAP~~RIS, and analyzing such information	
LL	2.4	Termination Costs: GIDAP referenced throughout	References to GIDAP should be RIS
LL	3.2	Agreement Subject to CAISO Tariff. The Interconnection Customer will comply with all applicable provisions of the CAISO Tariff, including the ~~GIDAP~~RIS.	Reference to GIDAP should be RIS
LL	4.6	TP Deliverability. To the extent that an Interconnection Customer is eligible for and has been allocated TP Deliverability ~~pursuant to Section 8.9 of the GIDAP~~, the Interconnection Customer's retention of such allocated TP Deliverability shall be contingent upon satisfying the obligations set forth in Section 8.9.3 of the ~~GIDAP~~RIS. In the event that the Interconnection does not retain allocated TP Deliverability with regard to any portion of the Generating Facility, such portion of the Generating Facility shall be deemed to receive Interconnection Service under this LGIA as Energy Only Deliverability Status.	Reference to GIDAP should be RIS; first reference unnecessary.

Tariff	Section	Revision	Reason for Change
LL	5.1.5	Merchant Option. In addition to any Option to Build set forth in Article 5.1.3 of this LGIA, an Interconnection Customer ~~having an Option (B) Generating Facility~~ under Section 4.2 of the RIS may elect to have a party other than the applicable Participating TO construct some or all of the LDNU and ADNU for which the Interconnection Customer has the obligation to fund and which are not subject to reimbursement. Such LDNU and ADNU will be constructed and 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.	Reference should be Section 4.2 for merchant deliverability; not anachronistic Option (B).
LL	5.10.1	Large Generating Facility and Interconnection Customer's Interconnection Facilities Specifications. In addition to the Interconnection Customer's responsibility to submit technical data with its Interconnection Request ~~as required by Section 3.5.1 of the GIDAP~~, the Interconnection Customer shall submit all remaining necessary specifications for the Interconnection Customer's Interconnection Facilities and Large Generating Facility, including System Protection Facilities, to the Participating TO and the CAISO at least one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date; and final specifications for review and comment at least ninety (90) Calendar Days prior to the Initial Synchronization Date. The Participating TO and the CAISO shall review such specifications pursuant to this LGIA and the ~~GIDAP~~ RIS to ensure…	GIDAP is anachronistic; no reference necessary.
LL	5.10.3	Any deviations from the relay settings, machine specifications, and other specifications originally submitted by the Interconnection Customer shall be assessed by the Participating TO and the CAISO pursuant to the appropriate provisions of this LGIA and the ~~GIDAP~~RIS.	Reference to GIDAP should be RIS.

Tariff	Section	Revision	Reason for Change
LL	5.16	Interconnection Customers seeking to suspend construction will provide the CAISO and Participating TO a request for assessment pursuant to Section 6.7.2 of the ~~GIDAP~~RIS, a modification assessment deposit, and an anticipated end date of the suspension.	Reference to GIDAP should be RIS.
LL	5.16	~~Interconnection Customer subject to Section 8.9.2.2 of Appendix D may not request suspension.~~	Interconnection customers executing an Appendix LL GIA would be subject to the RIS, not GIDAP, and would not face the suspension restriction. Improper carryover from Appendix EE GIA.
LL	5.20	Annual Reassessment Process. In accordance with Section 7 of the ~~GIDAP~~RIS, the CAISO will perform an annual reassessment, as part of a queue cluster interconnection study cycle, in which it will update certain base case data.	Reference to GIDAP should be RIS.
LL	11.3	Network Upgrades and Distribution Upgrades. The Participating TO shall design, procure, construct, install, and own the Network Upgrades and Distribution Upgrades described in Appendix A, except for Stand Alone Network Upgrades, which will	References to GIDAP should be RIS.

Tariff	Section	Revision	Reason for Change
		be constructed, and if agreed to by the Parties owned by the Interconnection Customer, and Merchant Network Upgrades. The Interconnection Customer shall be responsible for all costs related to Distribution Upgrades. Network Upgrades shall be funded by the Interconnection Customer, which for Interconnection Customers processed under Section 6 of the ~~GIDAP~~ RIS (in Queue Clusters) shall be in an amount determined pursuant to the methodology set forth in Section 6.3 of the ~~GIDAP~~RIS. This specific amount is set forth in Appendix G to this LGIA. For costs associated with Area Delivery Network Upgrades, any amounts set forth in Appendix G will be advisory estimates only, and will not operate to establishing any cap or Maximum Cost Exposure on the cost responsibility of the Interconnection Customer for Area Delivery Network Upgrades.	
LL	11.4.1.1(a)	For Reliability Network Upgrades, the Interconnection Customer shall be entitled to a repayment of the amount paid by the Interconnection Customer for Reliability Network Upgrades as set forth in Appendix G, up to a maximum amount established in Section 14.3.2.1 of the RIS. Interconnection Customers interconnecting pursuant to Section 4.4 of the RIS are ineligible for cash repayment. For purposes of this determination, generating capacity will be based on the capacity of the Interconnection Customer's Generating Facility at the time it achieves Commercial Operation. To the extent that such repayment does not cover all of the costs of Interconnection Customer's Reliability Network Upgrades, including for Interconnection Customers interconnecting pursuant to Section 4.4 of the RIS, the Interconnection Customer shall receive Merchant Transmission CRRs for that portion of its Reliability	Does not address Energy Only without reimbursement option under Section 4.4 of Appendix KK. Included for clarity.

Tariff	Section	Revision	Reason for Change
		Network Upgrades that are not covered by cash repayment.	
LL	11.4.1.1(b)	(b) For Local Delivery Network Upgrades: i. ~~If the Interconnection Customer is an Option (B) Interconnection Customer and has been allocated and continues to be eligible to receive TP Deliverability pursuant to the RIS,~~ the Interconnection Customer shall be entitled to repayment of a portion of the total amount paid to the Participating TO for the costs of Local Delivery Network Upgrades for which it is responsible, as set forth in Appendix G. The repayment amount shall be determined by dividing the amount of TP Deliverability received by the amount of deliverability requested by the Interconnection Customer, and multiplying that percentage by the total amount paid to the Participating TO by the Interconnection Customer for Local Delivery Network Upgrades ~~ii. If the Generating Facility is an Option (B) Generating Facility and has not been allocated any TP Deliverability, the Interconnection Customer shall not be entitled to repayment for the costs of Local Delivery Network Upgrades. iii. If the Generating Facility is an Option (A) Generating Facility, the Interconnection Customer shall be entitled to a repayment equal to the total amount paid to the Participating TO for the costs of Local Delivery Network Upgrades for which it is responsible, as set forth in Appendix G.~~	Option (A), Option (B), and Local Off-peak Network upgrades are not in the RIS. Improper carryover from GIDAP GIA. Language revised to reflect conventional and merchant options. Provision essentially consolidated because now all interconnection customers would receive same reimbursement options for Local Delivery Network Upgrades.

Tariff	Section	Revision	Reason for Change
LL	11.4.1.1(c)	For Area Delivery Network Upgrades, the Interconnection Customer shall not be entitled to repayment for the costs of Area Delivery Network Upgrades. An Interconnection Customer interconnecting pursuant to Section 4.2 of the RIS that financed Area Delivery Network Upgrades will be eligible for Merchant Transmission CRRs pursuant to Section 36.11 of the CAISO Tariff.	Omits that merchant interconnection customers could receive Merchant Transmission Congestion Revenue Rights for financed ADNUs. Included for clarity.
LL	11.4.1.1(d)	If an Interconnection Customer ~~having a Option (B) Generating Facility, and is eligible, to~~ constructs and owns Network Upgrades pursuant to the Merchant Option set forth in Article 5.15 of this LGIA, then the Interconnection Customer shall not be entitled to any repayment pursuant to this LGIA.	Refers to Option (B) Interconnection Customers. Removed reference but preserved rights under Merchant Option.
LL	11.4.1.1(e)	~~For Local Off-Peak Network Upgrades, the Interconnection Customer will be entitled to a repayment equal to the total amount paid to the Participating TO for the costs of Local Delivery Network Upgrades for which it is responsible, as set forth in Appendix G.~~	Interconnection Customers under Appendices KK and LL cannot be assigned Off-Peak Network Upgrades. Provision is anachronistic and misleading.
LL	11.4.1.1(e)	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 Network Upgrades not refunded to the Interconnection Customer pursuant to Article 5.17.8 or otherwise, and shall be paid to the Interconnection Customer by the Participating TO 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 Article 11.4.1.1; or (2) any	Subsection (e) applies to entire 11.4.1.1 provision, so including the provision as an enumerated subsection with types of upgrades is misleading. Moved higher in provision so it appears as generally applicable.

Tariff	Section	Revision	Reason for Change
		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. Notwithstanding the foregoing, if this LGIA terminates within five (5) years of the applicable commencement date, the Participating TO's obligation to pay refunds to the Interconnection Customer shall cease as of the date of termination. [Moved higher in Section]	
LL	11.4.1.1(f)	Where the Interconnection Customer finances the construction of Network Upgrades for more than one Participating TO, the cost allocation, GIA Deposit, and repayment will be conducted pursuant to Section 14.4.1 of the RIS, and set forth in Appendix G. [Moved higher in Section]	Subsection (f) applies to entire 11.4.1.1 provision, so including the provision as an enumerated subsection with types of upgrades is misleading. Moved higher in provision so it appears as generally applicable.
LL	App. H	Technical Requirements	Adds previously approved tariff revisions from October 2024 queue management filing held until Order No. 2023 compliance was approved. *Cal. Indep. Sys. Operator Corp.*, 189 FERC ¶ 61,195 at P 3 (2024).
MM	Att. 7	Technical Requirements	Adds previously approved tariff revisions from October 2024 queue management filing held until Order No. 2023 compliance was approved. *Cal. Indep. Sys. Operator Corp.*, 189 FERC ¶ 61,195 at P 3 (2024).

Attachment F – ER25-131-000 Transmittal Letter

Interconnection Process Enhancements Initiative (IPE 5) Tariff Amendment

California Independent System Operator Corporation

June 5, 2026

October 17, 2024

The Honorable Debbie-Anne A. Reese
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: California Independent System Operator Corporation
Docket No. ER25- ___-000

Tariff Amendment to Implement Queue Management Proposals of Interconnection Process Enhancements 2023 Initiative

Dear Secretary Reese:

The California Independent System Operator Corporation (CAISO) submits this tariff amendment to enhance generator interconnection agreements (GIAs) and interconnection procedures after the interconnection studies.[1] These enhancements will help the CAISO manage the large volume of interconnection requests already studied but awaiting GIAs or the construction of network upgrades. The enhancements also will help serve first-ready projects while incentivizing projects not to linger in queue. The reforms are the result of an extensive and robust stakeholder process that lasted more than a year, and strike an appropriate balance between the competing interests of the various stakeholders while ensuring the needs of ratepayers are met. The CAISO requests that the Commission accept these tariff revisions effective December 17, 2024 (*i.e.*, 61 days after the date of this filing). Doing so will provide the CAISO, transmission owners, interconnection customers and stakeholders with transparency and certainty for GIA negotiations that will begin January 2025.[2]

The CAISO's proposed enhancements consist of six independent, severable sets of tariff revisions:

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[1] The CAISO submits this filing pursuant to section 205 of the Federal Power Act (FPA), 16 U.S.C. § 824d, and Part 35 of the Commission's regulations, 18 C.F.R. Part 35. Capitalized terms not otherwise defined herein have the meanings set forth in appendix A to the CAISO tariff, and references to specific tariff sections and appendices are references to sections and appendices in the existing CAISO tariff unless otherwise specified.

[2] The GIA tariff revisions and the implementation deposit will not apply to interconnection customers that have already executed GIAs.

1. Making the Small GIA (SGIA) plant data recording and reporting requirements consistent with the Large GIA (LGIA) requirements for asynchronous resources;

2. Updating the GIA phase angle measuring unit (PAMU) data granularity;

3. Unifying shared network upgrade construction requirements;

4. Updating Material Modification Assessment (MMA) request timelines and deposits;

5. Creating a new "implementation deposit" for specific customer costs after the interconnection studies; and

6. Limiting lingering in queue after deliverability transfers.

Stakeholders generally supported the CAISO's proposals. The CAISO notes that each set of revisions is separate and not dependent on the other, from both a substantive and an implementation perspective.[3] The CAISO has filed them together because they were part of the same stakeholder process, because they represent enhancements to the generator interconnection process, and because a single filing promotes administrative efficiency. The CAISO discusses each enhancement below.

The tariff revisions proposed in this filing only pertain to the CAISO's Generator Interconnection and Deliverability Allocation Procedures (GIDAP)[4] and its associated GIAs,[5] and thus only impacts queue clusters 14 and earlier.[6] In other words, the tariff revisions proposed in this filing do not pertain to cluster 15 and later at this time. The CAISO is not proposing to implement these enhancements for cluster 15 and beyond[7] to avoid overlapping tariff revisions

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3 *See NRG Power Mktg., LLC v. FERC*, 862 F.3d 108 (D.C. Cir. 2017).

4 Appendix DD to the CAISO tariff.

5 Appendices EE and FF to the CAISO tariff.

6 Even as such, the GIA-related revisions and implementation deposit do not apply to those interconnection customers that already have executed GIAs. The CAISO believes this approach is consistent with the filed rate doctrine and the Commission's practice for applying new interconnection rules in Order Nos. 842, 845, and 2023. The MMA and deliverability transfer revisions would only apply if such interconnection customers submitted MMA requests or deliverability transfer requests after these tariff provisions become effective.

7 Pending appendices KK, LL, and MM to the CAISO tariff.

with the CAISO's pending Order No. 2023 compliance filing.[8] Unlike the CAISO's recent cluster 15 intake filing,[9] the tariff revisions here touch on some reforms from Order No. 2023. Although the CAISO believes these tariff revisions would comply with Order No. 2023, the CAISO believes it will be more clear and simpler to file these tariff revisions based on an approved set of tariff revisions from Order No. 2023. Additionally, the tariff revisions proposed in this filing would not impact cluster 15 for years because they pertain to post-study processes, and cluster 15 will not commence its cluster study until mid-2025.

The CAISO's proposed tariff revisions meet both the just and reasonable standard and the independent entity standard.[10] The tariff revisions address issues unique to the CAISO, based on recent experience, and were generally designed to work without significant conflict with the CAISO's tariff provisions modeled on Commission *pro forma* Large Generator Interconnection Procedure and Generator Interconnection Agreement provisions, including under Order Nos. 2003, 845, and 2023. The proposed revisions build upon the CAISO's interconnection procedures, with independent entity variations previously accepted by the Commission.

A. The IPE 2023 Stakeholder Initiative

For more than 15 years, the CAISO has continually reviewed and enhanced its generator interconnection procedures in a number of Commission proceedings to keep pace with California's Renewables Portfolio Standard and the associated evolution in generation development.[11] In February 2023, the CAISO established the IPE 2023 initiative as the latest step in this ongoing review and enhancement process to address the issues with the current interconnection queue described above.[12]

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8 Docket No. ER24-2042-000.

9 *California Independent System Operator Corp.*, 188 FERC ¶ 61,225 (2024).

10 In its generator interconnection rules, the Commission has consistently permitted Independent System Operators and Regional Transmission Organizations to adopt variations from the Commission's *pro forma* approach under an "independent entity variation" standard. *See, e.g.*, Order No. 2023 at P 1764.

11 *See, e.g.*, *Cal. Indep. Sys. Operator Corp.*, 154 FERC ¶ 61,169, at P 2 (2016) (describing CAISO generator interconnection enhancement initiatives since 2008); *Cal. Indep. Sys. Operator Corp.*, 180 FERC ¶ 61,143, at P 2 (2021) (describing additional generator interconnection enhancement initiatives); *Cal. Indep. Sys. Operator Corp.*, 182 FERC ¶ 61,196, at P 16 (2023) (accepting CAISO tariff revisions to enhance generator interconnection process).

12 *See* https://www.caiso.com/documents/interconnection-process-enhancements-2023-issue-paper-and-straw-proposal-posting-on-030623.html (CAISO market notice announcing the initiative).

The IPE 2023 initiative is part of the larger set of foundational framework improvements being coordinated among the CPUC, the CEC, and the CAISO to help meet California's energy policy objectives in a timely and efficient manner. The overall strategic direction of these efforts is set forth in the Memorandum of Understanding described above. The CAISO also has engaged in numerous discussions with other local regulatory authorities, utilities, and LSEs that are not CPUC-jurisdictional to ensure the CAISO's planning reflects their needs. The IPE 2023 initiative leverages the improved coordinated planning resulting from the Memorandum of Understanding and these discussions, and will result in a more efficient interconnection process while helping to further break down barriers to efficient and timely resource development.

The stakeholder process for Phase 1 of the IPE 2023 initiative has three separate but related tracks.[13] As a result of enhancements developed in Track 1, the CAISO filed tariff revisions in June 2023 to extend the remaining interconnection study deadlines for cluster 14 and pause the interconnection study process for cluster 15, which the Commission accepted as described above.[14] The Commission already approved the majority of the tariff revisions from Track 2, which addressed the intake process for cluster 15 and beyond.[15]

Track 3 of the stakeholder initiative is underway and will consider additional issues raised by stakeholders regarding the allocation of TP deliverability and intra-cluster prioritization for cluster 14 and earlier.[16]

B. Stakeholder Process for this Tariff Amendment

The stakeholder process for Track 2 of the IPE 2023 stakeholder initiative was extensive and lasted from May 2023 until June 2024. The stakeholder process began with working group discussions to establish principles and problem statements related to interconnection request intake and queue management. Participants proposed concepts and worked with the CAISO to explore and refine them throughout the course of the initiative. Several stakeholder proposals are reflected in this final filing.

During the stakeholder process, the CAISO held over a dozen stakeholder meetings and posted multiple issue papers and proposals, each revised based on stakeholder feedback and the CAISO's own review. Stakeholders consisted

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[13] The IPE 2023 initiative consists of two phases, only the first of which is in progress. The CAISO will start the second phase at a future point.

[14] *Cal. Indep. Sys. Operator Corp.*, 184 FERC ¶ 61,069 (2023).

[15] *Cal. Indep. Sys. Operator Corp.*, 188 FERC ¶ 61,225 (2024).

[16] On July 5, 2024, the CAISO issued a straw proposal for Track 3.

of developers, utilities, local regulatory authorities, and industry trade groups. These stakeholders had numerous opportunities to provide both comments in-person at the meetings and written comments. In addition, stakeholders were given the opportunity to comment on a near-final version of the CAISO's proposed tariff revisions.[17] The CAISO provides responses to stakeholder comments below in this transmittal letter.

The CAISO Governing Board (Board) authorized the CAISO to submit this tariff amendment at its meeting held on June 12, 2024.[18]

C. Proposed Tariff Revisions

1. Consistent Data Recording Requirements for All Asynchronous Generating Facilities

In 2019, the Commission approved a set of new GIA requirements for asynchronous generating facilities[19] to mitigate reliability issues caused when generators go offline or cease to inject current into the grid due to the routine clearing of high voltage transmission faults or transient voltage.[20] The requirements also established a platform to collect information to help educate the CAISO, its grid operators, and stakeholders on the operation of inverter-based generators. The requirements were based on careful work among the CAISO, transmission owners, inverter manufactures, generation owners, the North American Electric Reliability Corporation (NERC), and the Western Energy Coordinating Council (WECC). All of the requirements applied to large and small generating facilities alike,[21] with the exception of fault recording requirements,

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[17] Materials related to the stakeholder process are available at the IPE 2023 Stakeholder Page. The stakeholder materials include the CAISO's issuance of the *2023 Interconnection Process Enhancements: Track 2 Final Proposal* (Mar. 28, 2024) (Track 2 Final Proposal), which is also provided in attachment C to this filing, and its companion *2023 Interconnection Process Enhancements: Final Addendum to Track 2 Final Proposal* (June 5, 2024) (Track 2 Final Addendum), which is also provided in attachment D to this filing.

[18] *See* https://www.caiso.com/meetings-events/calendar/month/2024/06/01. The materials provided to the Board included a memorandum from Neil Millar, Vice President of Infrastructure and Operations Planning dated June 6, 2024, which is also provided in attachment D to this filing (Track 2 Board Memorandum). In addition to addressing the subjects reflected in the instant tariff amendment, the Track 2 Final Proposal, Track 2 Final Addendum, and Track 2 Board Memorandum address other subjects to be addressed in a future tariff amendment or amendments.

[19] An asynchronous generating facility is defined as "An induction, doubly-fed, or electronic power generating unit(s) that produces 60 Hz (nominal) alternating current." Appendix A to the CAISO tariff. Solar and wind units are the most common inverter-based resources, for example.

[20] *California Independent System Operator Corp.*, 168 FERC ¶ 61,003 (2019).

[21] With the Commission's standard 20 MW marking the difference between large and small.

which only applied to large generators.[22] At the time, the CAISO wanted to ensure the technology was available and affordable, and thus exempted small generating facilities.

Since 2019, the CAISO's asynchronous generating facility requirements have significantly helped to mitigate reliability issues on the CAISO controlled grid, despite the vast and rapid proliferation of inverter-based resources. The CAISO's recording requirements, especially, have helped the CAISO, reliability entities, and stakeholders understand voltage and frequency disturbances, and identify and mitigate their causes. The system simply would not be as reliable as it is now without this data. At the same time, the CAISO and stakeholders have lamented exempting small generating facilities from the reporting requirements. Despite their size, the proliferation of small generating facilities plays a critical role in ensuring reliability, and the lack of data requirements on them often leaves critical holes in the history of grid events. Moreover, the technology used to comply with the recording requirements is commonplace and relatively inexpensive to generating facilities. The CAISO thus proposes to subject new small asynchronous generating facilities to the same data recording requirements as large facilities.[23] This will greatly aid the CAISO, reliability entities, and stakeholders in diagnosing system faults and preventing future events.

2. Enhancing Phase Angle Measuring Units Data

The LGIA data recording provision currently requires asynchronous generating facilities to provide all PAMU data at a resolution of 30 samples per second.[24] PAMUs track voltage shifts on grid facilities. They are generally part of circuit relays, and are a key element in understanding any voltage problems on the grid. With the increase in asynchronous generating facilities on the grid, the CAISO and stakeholders have found that the resolution of 30 samples per second is not granular enough to be of use for any analysis when there are faults on the system. The CAISO proposes to change this sample size to 16 samples

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[22] The CAISO also proposes to harmonize two slight differences in language between the LGIA and SGIA requirements. The SGIA lacked the clarification that an Asynchronous Generating Facility shall remain online for the voltage disturbance *unless clearing the fault effectively disconnects the generator from the system*. The SGIA also had a header titled "Low Voltage Ride-Through (LVRT) Capability" even though its subsections contained provisions on both low *and high* voltage ride-through. These clarifications will avoid any ambiguity between the two GIAs.

[23] Proposed Attachment 7 to Appendix FF to the CAISO tariff (including the PAMU revision discussed below). Just as when the original provisions were established in 2019, small generating facilities that already have GIAs are still under their prior requirements. Under Section 25.4.2 of the CAISO tariff, only if the small generating facility replaces its facility/inverters in the future would it become subject to the current requirements.

[24] Section A(vi) of Appendix H to Appendix EE to the CAISO tariff.

per cycle,[25] which is already the common setting for present day relays. This change will apply to the LGIA and the proposed recording requirements to the SGIA, discussed above. The change will provide the CAISO with 960 samples per second versus the current 30, and will greatly aid the CAISO, reliability entities, and stakeholders in understanding and mitigating voltage issues on the grid. Because this granularity is already a common default setting for relays, the CAISO does not expect any inconvenience or new expense from this change.

3. Shared Network Upgrade Construction

In the CAISO, interconnection customers finance the facilities and network upgrades necessary to interconnect the new generation, and the transmission owner generally designs, procures equipment, and constructs them.[26] The GIAs typically set forth specific milestones for phased financing and construction: the interconnection provides payments toward construction as the transmission owner requires it for the construction schedule. GIAs also require interconnection customers to provide notices to proceed with construction to ensure the transmission owner does not begin to incur significant expenses without the interconnection customer's understanding.

Interconnection customers frequently share network upgrades to maximize economies of scale and save ratepayers costs. These interconnection customers' study results and GIAs set forth their cost responsibility for the shared network upgrades based on the applicable proportional impact method. This system works very well for producing studies and keeping everyone's costs as low as possible; however, it often presents a challenge for transmission owners to actually begin construction. Even if one interconnection customer is ready and eager for the transmission owner to begin construction, other interconnection customers sharing one upgrade among many others may have other timetables. The transmission owner often is stuck waiting for the last or least-ready interconnection customer because the transmission owner cannot commence construction without all the interconnection customers' funds for the shared network upgrade. This can be especially problematic, for example, when the interconnection customer with the largest share of the costs has the latest commercial operation date.

In the interest of first-ready, first-served policies, the CAISO proposes to unify payment and authorization schedules among interconnection customers sharing network upgrades. Interconnection studies already identify when network upgrades are shared, along with their construction timelines, but GIAs

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[25] Section A(i)(1) of Appendix H to Appendix EE to the CAISO tariff; Attachment 7 to Appendix FF to the CAISO tariff.

[26] Interconnection customers also can exercise a self-build option, but this occurs infrequently.

frequently differ based on the construction timeline of each interconnection customer. The CAISO proposes to require interconnection customers sharing a network upgrade to provide the financing and authorization to construct the shared network upgrade simultaneously, and based on the construction timeline necessary to achieve the earliest interconnection customer's commercial operation date.[27] All other network upgrades can have their own separate milestones based on the needs of the interconnection customers and transmission owner.

Once identified in the interconnection studies, or no later than when the first interconnection customer sharing the assigned network upgrade executes its GIA with a third posting deadline[28] for the network upgrade, the CAISO and Participating TO will notify the other interconnection customers sharing the network upgrade when their third posting will be required based on the construction timeline required to meet the earliest in-service date of the interconnection customers sharing the network upgrade.[29] Interconnection customers and transmission owners may have separate posting and authorization deadlines for each shared network upgrade and other non-shared network upgrades.

All Interconnection Customers sharing the assigned network upgrade must execute an engineering and procurement agreement or a GIA prior to submitting the third posting for the shared network upgrade.[30] Engineering and procurement agreements provide interconnection customers with a custom agreement for a specific procurement activity before the interconnection customer is ready to execute its GIA.[31] Generally interconnection customers share network upgrades in the same cluster and thus receive draft GIAs simultaneously; however, to ensure sufficient notice and time for negotiation, the CAISO proposes to include a requirement that where any interconnection customer sharing the assigned network upgrade has not executed a GIA or engineering and procurement agreement, the transmission owner will tender (1) a draft engineering and procurement agreement if the interconnection customer parked its interconnection request, or (2) a draft GIA or GIA amendment, to the interconnection customer no later than 120 days before the third posting deadline. The interconnection customer must execute the engineering and

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27 Proposed Section 11.3.2.6 of Appendix DD to the CAISO tariff.

28 Third postings provide the financial security necessary to finance the network upgrade. Transmission owners and interconnection customers also can specify if their GIAs cash payments to finance network upgrades if they prefer.

29 *Id.*

30 *Id.*

31 These agreements also can be common for facilities with extremely long lead times, helping parties avoid construction delays.

procurement agreement or GIA or request that the GIA be filed unexecuted prior to the deadline to post. The failure by an interconnection customer to timely (a) execute an engineering and procurement agreement or GIA or request an unexecuted filing, (b) submit the authorization to proceed, or (c) submit the third posting for the shared assigned network upgrade will result in the interconnection request being deemed withdrawn. These provisions will ensure that all interconnection customers sharing a network upgrade have sufficient time to negotiate their agreements and arrange financing, but without the risk that one interconnection customer can "drag its feet" and delay the construction of the shared network upgrade to the other interconnection customers' detriment.

For transparency and tracking, the CAISO also proposes to require each interconnection customer to provide the CAISO and the transmission owner with written notice that it has posted the required interconnection financial security no later than the applicable final day for posting.[32] No later than 30 days after the interconnection customers sharing the assigned network upgrade provide authorization and financing, the transmission owner will commence construction activities on the shared network upgrade.

Together, the proposed tariff revisions will ensure transmission owners can, and will, construct transmission facilities as soon as possible for first-ready projects. The proposed tariff revisions will avoid construction delays and their cascading issues, helping to bring much-needed transmission capacity to the grid.

4. Limitations on Deliverability Transfers

After the study processes and the deliverability allocation process, the CAISO allows interconnection customers to transfer deliverability to other generating units at the same substation and same voltage level.[33] Most transfers occur within the same generating facility, allowing a generating facility to optimize its deliverability allocations among its generating units based on procurement needs. For example, if a generating facility has 100 MW of solar and 100 MW of energy storage, and each generating unit has its own 50 MW deliverability allocation, the owner may want to transfer the 50 MW of deliverability from the solar unit to the storage unit if a load-serving entity wants 100 MW of deliverable storage based on its procurement mandates.[34]

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32 *Id*.

33 Section 8.9.9 of Appendix DD to the CAISO tariff.

34 This is a simplified example in that the qualifying capacity of the different generating technologies remains constant. Deliverability, however, is not necessarily always fungible 1:1, and is based on the current deliverability assessment methodology.

Recently, however, the CAISO and stakeholders have become concerned that generating units assigning away their deliverability unduly linger in queue. The developer may be marketing the project to other load-serving entities, or waiting to see if it can "double dip" the now-Energy-Only resource in the deliverability allocation process and reacquire deliverability. Meanwhile, the project may try to avoid GIA milestones through suspension or modification. This is an undesirable result that causes queue backlogs, construction delays, and wasted administrative resources. Projects that become Energy Only under these circumstances rarely, if ever, achieve commercial operation.

Accordingly, the CAISO believes that developers should only proceed with deliverability transfers when they recognize the unit transferring its deliverability is no longer viable. The CAISO thus proposes that customers must remove the Energy Only generating capacity giving up its deliverability unless it provides an Energy Only power purchase agreement, which demonstrates that the generating capacity itself is viable without needing to reacquire deliverability.[35] Interconnection customers can remove the assignor generating capacity either through withdrawal or downsizing.[36]

Separately, but still related to deliverability transfers, the CAISO proposes to include clarifying language of existing policy: when an interconnection customer has restrictions to acquire or retain its deliverability, any assignee of the deliverability inherits those restrictions.[37] For example, if an interconnection customer acquires deliverability because it was shortlisted for a power purchase agreement, the CAISO tariff requires it to provide an executed power purchase agreement by the next year.[38] If it assigns that deliverability before the next year, the assignee must provide an executed power purchase agreement by the next year. Essentially, interconnection customers cannot use deliverability transfers to try to circumvent the CAISO's filed rate. Including this clarifying provision will enhance transparency on this fact.

5. Modification Request Updates

The CAISO maintains one of the most flexible MMA processes in the nation, allowing interconnection customers to effect complex modifications such as energy storage additions, generating technology changes, and repowers

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35 Proposed Section 8.9.9. of Appendix DD to the CAISO tariff.

36 For example, if the entire generating facility assigned away its deliverability, it would withdraw. If only a portion of the generating facility assigned away its deliverability, it would downsize that portion.

37 Proposed Section 8.9.9. of Appendix DD to the CAISO tariff.

38 Section 8.9.3 of Appendix DD to the CAISO tariff.

without submitting new interconnection requests. The CAISO tariff requires interconnection customers requesting MMAs to provide a $10,000 deposit but be accountable for costs beyond that deposit. The CAISO tariff also contemplates that MMAs be completed within 45 days, although MMAs may take longer so long as the CAISO explains why additional time is required and provides a timetable for completion.[39]

Although the CAISO's flexibility in studying complex MMAs allows interconnection customers to optimize their projects, it comes at an administrative cost to the CAISO and transmission owners. In 2023, for example, the CAISO completed 122 MMAs. This year, the average cost for an MMA was $11,871, with individual assessments costing up to $43,636 for complex engineering analyses. So far this year half of MMAs have cost more than the $10,000 MMA deposit, requiring the CAISO to invoice interconnection customers after the fact. Inflation also has contributed to this issue, as the $10,000 MMA deposit has not been updated for many years. Because MMAs are numerous and complex, the average time to complete MMAs generally is beyond the initial 45 days contemplated by the CAISO tariff. Although many simple MMAs can be approved in one to two weeks if the initial data provided is accurate and complete, many take much longer. In 2023, 64 of the 122 MMAs took between 45 and 90 days. As a result, the CAISO frequently must rely upon its authority to extend the 45-day timeline and explain why more time is required.

Interconnection customers understand the present state of the MMA process, and do not want to sacrifice MMA flexibility on the altar of quicker, cheaper assessments. However, the current tariff sets misleading expectations for MMAs. It also creates administrative burdens for the CAISO and transmission owners to extend deadlines and request additional funds, and for interconnection customers to send additional funds after their deposits. All parties would prefer to avoid these outcomes. As such, the CAISO proposes to update the MMA deposit to $30,000, and the estimated time to complete an MMA to 60 days. Although both figures are higher than recent averages, they are still less than peak figures. Moreover, stakeholders indicate they would rather have a higher figure that stays ahead of inflation and generally provides some level of refund than have to submit additional funds because actual costs exceeded their initial deposit.

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39 Section 6.7.2.3 of Appendix DD to the CAISO tariff.

6. Implementation Deposit

The CAISO has several dozen employees that dedicate the majority of their time to generator interconnection issues.[40] These include:

- Interconnection specialists who spend all of their time managing interconnection requests from submission to receiving their final study report;
- Planning engineers who model new transmission and generator interconnections, and perform interconnection and modification studies;
- Contract negotiators who negotiate GIAs, GIA amendments, and affected system agreements;
- Contract analysts who prepare new or revise existing metering and participating generator agreements, and manage all agreements associated with generator interconnection;
- Queue management staff who manage interconnection requests between GIA execution and commercial operation;
- Resource implementation staff who arrange for the actual synchronization of the generator onto the grid and who add the resource to the network model; and
- Data acquisition staff who ensure the resource will be properly metered and provide forecasting data and real-time telemetry to the CAISO.[41]

Transmission owners have similar if not identical roles among their staff, but frequently collect a development cost with the network upgrades as part of construction costs. Although the CAISO collects interconnection study deposits, these deposits only cover costs through the completion of the phase II/interconnection facilities study. The CAISO estimates that study deposits cover less than half the total staff and man-hours dedicated to interconnection-customer-specific work.[42]

Staff time and costs after the studies come from the CAISO's conventional annual revenue requirement, that is, its general budget. However, the CAISO does not assess its annual revenue requirement on interconnection customers. Instead, the CAISO assesses its annual revenue requirement on CAISO *market*

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40 Excluding many managers, accountants, and lawyers who also spend the majority of their time on interconnection issues.

41 Many of these staff members work on similar matters for generators already online, but the majority of their time is dedicated to interconnection customers.

42 In other words, not merely generalized interconnection work, but work that actually can be assessed to specific, individual interconnection customers.

participants in the form of the CAISO's Grid Management Charge.[43] This results in obvious cost allocation inefficiencies. First, the many interconnection customers that withdraw before participating in the CAISO markets will never contribute toward the costs incurred for them between interconnection studies and commercial operation. Instead, market participants will pay those costs. Second, interconnection customers have no incentives to try to keep costs low because they will not be assessed their costs individually. A 500 MW complex, multi-unit hybrid resource with advanced metering will face the same costs as a straightforward single generator: nothing. Essentially, it is questionable whether costs are allocated correctly (if at all) to the beneficiaries of significant, customer-specific work between interconnection studies and commercial operation.

To address this cost allocation issue, the CAISO proposes to require a new "implementation deposit" of $35,000 within 30 days of the effective date of an interconnection customer's GIA.[44] Based on the CAISO's analysis of man-hours spent and staff billing rates for specific interconnection requests in the years between studies and commercial operation—especially during the intensive new resource implementation process—the CAISO believes $35,000 will be sufficient to cover most interconnection requests costs without undue risk of needing to re-invoice interconnection customers.[45]

The implementation deposit will be applied to pay for prudent costs incurred by the CAISO or its consultants to manage the interconnection request between GIA execution and commercial operation. This deposit will cover costs including queue management, preparing GIA amendments, preparing market agreements, modeling and testing for synchronization, preparing for metering

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[43] That is, to scheduling coordinators based on energy, demand, ancillary services, or other specific charges. *See California Independent System Operator Corp.,* Letter Order accepting Grid Management Charge, Docket No. ER23-2974-000 (Dec. 21, 2023); *see also* Section 11.22 and Appendix F of the CAISO tariff.

[44] Proposed Section 13.3.1 of Appendix DD to the CAISO tariff. Wholesale distribution access tariff interconnection customers also go through a portion of the CAISO's new resource implementation process to model them in the CAISO markets and verify metering and telemetry. The CAISO proposes to require a $6,000 implementation deposit from them at the beginning of the new resource implementation process (generally a few months before commercial operation, as specified in the GIA).

Like other deposits, the CAISO will deposit the implementation deposit in an interest bearing account at a bank or financial institution designated by the CAISO.

The CAISO only proposes to require this deposit going forward. In other words, the CAISO will not require implementation deposits from interconnection customers that already have executed GIAs.

[45] The IPE stakeholder initiative had proposed and approved a deposit up to $100,000 (and $10,000 for WDAT customers); however, the CAISO's analysis of labor on existing projects demonstrates that the lower figures proposed here will be sufficient.

and telemetry, and incorporating the generating units into the CAISO markets.[46] CAISO staff will track their time to specific interconnection customers, just as they do today for interconnection studies. As such, interconnection customers with more complex and numerous needs after the studies will be assessed more costs than interconnection customers that sail smoothly to commercial operation. The implementation deposit will directly offset costs currently assessed to market participants through the Grid Management Charge.

Upon commercial operation or withdrawal from queue, the CAISO will refund remaining deposit funds, with any interest earned, to the interconnection customer. The CAISO does not propose to use the implementation deposit as a "decision point" or incentive to withdraw from queue or progress. As such, the implementation deposit for GIDAP interconnection customers will not be subject to any refundability penalty if and when the customer withdraws. The CAISO will simply refund the deposit minus costs incurred for that interconnection customer.

The CAISO believes the implementation deposit properly aligns costs with benefits under the Federal Power Act, and respectfully requests that the Commission approve these tariff revisions as just and reasonable.

D. Effective Date

The CAISO requests that the Commission accept the tariff revisions contained in this filing effective December 17, 2024 (*i.e.*, 61 days after the date of this filing), in anticipation of executing GIAs for cluster 14, which recently completed its interconnection studies.

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[46] The CAISO will not use implementation deposit funds to offset or obviate processes that require separate deposits including MMAs, Permissible Technological Advancements, and Limited Operation Studies.

E. Communications

Pursuant to Rule 203(b)(3) of the Commission's Rules of Practice and Procedure,[47] the CAISO requests that all correspondence, pleadings, and other communications regarding this filing should be directed to following:

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F. Service

The CAISO has served copies of this filing on the CPUC, the CEC, and all parties with scheduling coordinator agreements under the CAISO tariff. In addition, the CAISO has posted a copy of the filing on the CAISO website.

G. Contents of Filing

In addition to this transmittal letter, this filing includes the following attachments:

Attachment A	Clean[48] CAISO tariff sheets incorporating this tariff amendment
Attachment B	Red-lined document showing the revisions in this tariff amendment
Attachment C	Track 2 Final Proposal
Attachment D	Track 2 Board Memorandum

[47] 18 C.F.R. § 385.203(b)(3).

[48] For Section 25.5, the baseline tariff language in the tariff record includes currently pending language in the CAISO's Order No. 2023 compliance filing (ER24-2042). For Appendix EE, Article 5, the baseline tariff language in the tariff record includes currently pending language in the 2024 tariff clarifications filing (ER24-2687). The CAISO will reconcile all tariff revisions as necessary based on the Commission's orders.

H. Conclusion

For the reasons set forth above, the CAISO respectfully requests that the Commission accept the tariff revisions proposed above effective December 17, 2024.

Respectfully submitted,

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