

**Attachment A – Clean Tariff Language**

**Tariff Amendment – Track 2 of Interconnection Process Enhancements 2023 Initiative**

**California Independent System Operator Corporation**

**August 1, 2024**

# Appendix A<sup>1</sup>

## - Deliverability

Transmission capacity enabling the delivery of Energy to the aggregate of Load on the CAISO Controlled Grid at peak Load, under a variety of modeled stressed conditions. Deliverability includes (1) the annual Net Qualifying Capacity of a Generating Facility, as verified through a Deliverability Assessment and measured in MW, which specifies the amount of resource adequacy capacity the Generating Facility is eligible to provide; (2) the annual Maximum Import Capability of an Intertie, which specifies the amount of resource adequacy capacity, measured in MW, that Load Serving Entities collectively can procure from imports at that Intertie to meet their resource adequacy requirements; and (3) TP Deliverability.

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## – Deliverable Option

An election by an Interconnection Customer seeking Deliverability to interconnect in a Deliverable Zone, and receive cash reimbursement or Merchant Transmission CRRs for Network Upgrades, but without any guarantee of Deliverability.

– **Deliverable Zone** A Transmission Zone with at least 50 MW of available Deliverability before the Cluster Application Window.

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## - Energy-Only Deliverability Status (Energy Only)

A condition elected by an Interconnection Customer for a Generating Facility interconnected with the CAISO Controlled Grid the result of which is that the Interconnection Customer is responsible only for the costs of Reliability Network Upgrades and is not responsible for the costs of Delivery Network Upgrades, but the Generating Facility will be deemed to have a Net Qualifying Capacity of zero, and, therefore, cannot be considered to be a Resource Adequacy Resource.

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<sup>1</sup> All tariff revisions in this document are based on the CAISO's pending tariff revisions, including Order No. 2023 compliance. Any changes to pending tariff revisions directed by FERC after these tariff revisions are filed will be addressed through a reconciliation filing.

**- Merchant Option**

An election by an Interconnection Customer seeking Deliverability to interconnect in a Merchant Zone and forgo any cash reimbursement for any Area Delivery Network Upgrade costs and instead receive Merchant Transmission CRRs under Section 36.11 of the CAISO Tariff.

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**- Merchant Zone**

A Transmission Zone with less than 50 MW of available Deliverability before the Cluster Application Window.

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**- TP Deliverability (Transmission Plan Deliverability)**

The capability, measured in MW, of the CAISO Controlled Grid as modified by transmission upgrades and additions modeled or identified in the annual Transmission Plan to support the interconnection with Full Capacity Deliverability Status or Partial Capacity Deliverability Status of additional Generating Facilities in a specified geographic or electrical area of the CAISO Controlled Grid.

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**- Transmission Zone**

A study area determined in the Transmission Plan and used in the Transmission Planning Process and Interconnection Studies based on electrically proximate constraints, transmission, load, and supply resources.

# Appendix DD

## Section 17. Cluster 15 Unique Procedures

Notwithstanding Section 3.3.1, the CAISO will not open a Queue Cluster Application Window in 2024. Except for this Section 17, Cluster 15 will be subject to the RIS and not the GIDAP.

### 17.1 Study Procedures and Timelines

- a) Consistent with the process set forth in Section 3.5.2, the CAISO will validate Cluster 15 Interconnection Requests between January 1, 2025 and May 1, 2025. Interconnection Requests with deficiencies after that date will be deemed invalid and will not be included in Cluster 15. Interconnection Customers in Cluster 15 must submit any element required under Section 3.5.1 of the RIS not previously submitted before May 1, 2025.
- b) Between October 1, 2024 and December 1, 2024, Interconnection Customers may submit any element required under Section 3.5.1 of the RIS not previously submitted. During this time, Interconnection Customers also may modify their Interconnection Requests (a) as permissible under Section 6.7.2.2 of this GIDAP; (b) to change generating technology or fuel; (c) to add or increase energy storage capacity; (d) to change their Points of Interconnection within the same Transmission Zone; and (e) to change their requested Deliverability Statuses. The CAISO will not accept any modification under this Section 17.1(b) that would result in increasing the Interconnection Service Capacity or Deliverability requested. Interconnection Customers modifying their Interconnection Requests must submit updated information required under Section 3.5 to reflect the modification. Except for changes to the Point of Interconnection, which must be submitted by December 1, 2024, modifications effected pursuant to this provision will not affect Interconnection Customers' rights to modify their Interconnection Requests after December 1, 2024 under the RIS.
- c) An Interconnection Customer that withdraws its Interconnection Request prior to January 1, 2025 will receive a refund of its Interconnection Study Deposit, including any interest earned, minus any costs expended on the Interconnection Customer's behalf. If an Interconnection Customer submitted a Site Exclusivity Deposit, it will receive a complete refund of its Site Exclusivity Deposit, including any interest earned. Withdrawals effected pursuant to this provision will not affect Interconnection Customers' rights to withdraw after January 1, 2025, and receive any corresponding refund and interest under the RIS.
- d) The CAISO will begin the Cluster 15 Cluster Study on June 1, 2025. With the commencement of the Cluster Study, the CAISO, Participating TOs, and Interconnection Customers will comply with all RIS provisions, schedules, rights, and obligations.
- e) Load Serving Entities must comply with Section 4 of the RIS by October 1, 2024, and with Section 3.5.4 of the RIS by December 23, 2024.
- f) Pursuant to Sections 3.5 and 4 of the RIS, the CAISO will notify Interconnection Customers they satisfied the scoring criteria, must participate in an auction, or failed the scoring criteria by February 12, 2025. Interconnection Customers participating in an auction must submit bids by February 26, 2025. The CAISO will notify Interconnection Customers of the results of their auctions by March 5, 2025.

# Appendix KK

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

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

At the Interconnection Customer's option, the CAISO, Participating TO, and Interconnection Customer will identify alternative Point(s) of Interconnection and configurations 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 equal to two times the study deposit described in Section 3.5.1.1 of this RIS in the form of an irrevocable letter of credit, cash, a surety bond, or other form of security that is reasonably acceptable to the CAISO under Section 11.1 of this RIS. This Commercial Readiness Deposit is refunded to Interconnection Customer according to Section 3.8 of this RIS,
- (xii) If applicable, (a) the requested operating assumptions (*i.e.*, whether the interconnecting Generating Facility will or will not charge at peak load) to be used by the CAISO and Participating TO that reflect the proposed charging behavior of the Generating Facility that includes at least one electric storage resource, and (2) a description of any control technologies (software and/or hardware) that will limit the operation of the Generating Facility to the operating assumptions submitted by the Interconnection Customer.
- (xiii) 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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### **3.5.2 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, 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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### **3.6.4 Study Criteria Data**

By September 1 each year, the CAISO will publish the following information on the CAISO Website to inform the preparation of Interconnection Requests under the Cluster Study criteria in Section 4:

- (i) Single-line diagrams of each Transmission Zone with the Local Regulatory Authority portfolio resources identified at the substations to which the Local Regulatory Authority has mapped resources in its busbar mapping process;
- (ii) Any Area Deliverability Constraints in each Transmission Zone, the amount of any available Deliverability, ADNUs to increase Deliverability in Merchant Zones, and the estimated cost and time to construct identified ADNUs;
- (iii) Single-line diagrams identifying the Points of Interconnection studied for each Area

Deliverability Constraint;

- (iv) A list of current substations within each Transmission Zone;
- (v) For each Area Deliverability Constraint, the Points of Interconnection for current Interconnection Customers;
- (vi) The TP Deliverability already allocated for each Area Deliverability Constraint; and
- (vii) The value of Local Capacity Area Resource Deficiencies in Transmission Zones and Local Capacity Areas.

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## **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.

### **Section 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 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.

#### **Section 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 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 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.

#### **Section 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.

#### **Section 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 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.

#### **Section 4.2 Criteria for Requests for Deliverability in Merchant Zones**

Interconnection Requests in Merchant Zones seeking any Deliverability proceed to the Cluster Study but are subject to the Merchant Option, and may not receive any cash reimbursement under this RIS or the GIA for any costs for Area Delivery Network Upgrades, and instead may receive Merchant Transmission CRRs pursuant to Section 36.11 of the CAISO Tariff. For all

other Network Upgrades, the Interconnection Customer may receive reimbursement as provided in this RIS and its GIA.

An Interconnection Customer that submits an Interconnection Request seeking Deliverability in a Merchant Zone must include an additional Merchant Option deposit of \$10,000/MW of all requested deliverable Generating Facility capacity, but not less than \$500,000 or more than \$5,000,000. The deposit may be in any form or combination of forms under Section 11.1. The Merchant Option deposit is fully refundable prior to the close of the Customer Engagement Window. After the Customer Engagement Window, fifty percent (50%) is non-refundable. Before the Cluster Restudy commences or if no Cluster Restudy for that Queue Cluster occurs, the Interconnection Customer must raise its Merchant Option deposit to fifty percent (50%) of its Current Cost Responsibility for its assigned Area Delivery Network Upgrades, without minimum or limit.

If the Merchant Option Interconnection Customer's assigned Area Delivery Network Upgrade is approved in the CAISO's Transmission Plan before any Interconnection Customer sharing the Area Delivery Network Upgrade executes its GIA, such that the Area Delivery Network Upgrade was not in the Base Case for that Transmission Plan, the Interconnection Customer may reduce its Merchant Option deposit to remove the costs for that Area Delivery Network Upgrade. To retain TP Deliverability from that Area Delivery Network Upgrade, the Interconnection Customer must meet the TP Deliverability allocation criteria under Section 8.9.2 (A) or (B) no later than the affidavit submission deadline for the second TP Deliverability allocation process after the approved Transmission Plan publication. Failure to retain TP Deliverability under this rule will result in conversion to Energy Only.

#### **Section 4.3 Criteria for Energy Only Requests Eligible for Cash Reimbursement**

Energy Only Interconnection Requests seeking eligibility for cash reimbursement for Reliability Network Upgrades may proceed to the Cluster Study only where they meet the requirements of this Section. Reimbursement will still be subject, without limitation, to Section 14.3.2 of this RIS. The Interconnection Request must be in a Transmission Zone where the Local Regulatory Authority has designated a specific MW quantity of Energy Only capacity for procurement.

The Interconnection Customer will submit all information for scoring required by Section 4.1. The CAISO will administer the same scoring and tiebreaking processes in Section 4.1 with the following exceptions:

- a) the CAISO will only consider the Energy Only Interconnection Requests subject to this Section 4.3, excluding all other Interconnection Requests submitted in the Cluster Application Window;
- b) the CAISO will solve for one hundred fifty percent (150%) of Local Regulatory Authority Energy Only MW procurement target in that Transmission Zone instead of one hundred fifty percent (150%) of the available Deliverability at their relevant Transmission Constraint;
- c) Instead of the auction as final tiebreaker, the CAISO will include the remaining tied Interconnection Request(s) with the least Interconnection Service Capacity until it satisfies the one hundred fifty percent (150%) threshold; and
- d) The CAISO will allocate points for Load Serving Entities to demonstrate commercial interest pursuant to Section 4.3.1.

Interconnection Requests exceeding the one hundred fifty percent (150%) limit and losing all applicable tiebreakers may elect to proceed to the Cluster Study subject to Section 4.4. Interconnection Customers must make this election within five (5) Business Days of being informed that the Interconnection Request is not eligible for study under this Section 4.3.

### **Section 4.3.1 Load Serving Entity Points**

To allocate commercial interest points to Energy Only Interconnection Customers, Load Serving Entities must comply with all requirements in Section 4.1.1.1. To determine available commercial interest points for allocation, the CAISO will take the total aggregate MW of Energy Only capacity procurement in the most recent CAISO Transmission Plan, as informed by Local Regulatory Authorities. 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.

### **Section 4.4 Criteria for Energy Only Requests Ineligible for Cash Reimbursement**

In any Transmission Zone, Energy Only Interconnection Requests may proceed to the Cluster Study without meeting the requirements of Section 4.3 where they elect to forgo eligibility for cash reimbursement for Reliability Network Upgrades. Interconnection Customers electing to proceed to the Cluster Study under this option may receive Merchant Transmission CRRs pursuant to Section 36.11 of the CAISO Tariff.

\* \* \* \*

## **Section 6 Cluster Study Process**

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

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

#### **6.1.2 Scoping Meeting**

During the Customer Engagement Window, the CAISO will hold Scoping Meetings with all Interconnection Customers whose valid Interconnection Requests were received in that Cluster Application Window and satisfied the Cluster Study criteria in Section 4 of this RIS. Scoping Meetings will be segregated by Transmission Zone and Cluster Study criteria.

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

provides for confidentiality of identifying information or commercially sensitive information pertaining to any other Interconnection Customers.

\* \* \* \*

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

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

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

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

Interconnection Customers assigned IRNUs in their Cluster Study will be allocated the full cost of the IRNUs in their Maximum Cost Responsibility. The Maximum Cost Exposure will include the full costs of conditionally assigned IRNUs. The Current Cost Responsibility will include their allocated share of IRNU costs.

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

The Cluster Study will identify ADNUs for Interconnection Customers in Merchant Zones that have selected the Merchant Option. The Base Cases will include Deliverable Option Generating Facilities in the current Interconnection Study Cycle and earlier queued Generating Facilities that will utilize TP Deliverability in a total amount that fully utilizes but does not exceed the available TP Deliverability. The CAISO will reserve TP Deliverability for those Merchant Option Interconnection Customers that triggered and finance ADNUs.

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

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



After the CAISO has modeled the Deliverable Option Generating Facilities, the CAISO will add Merchant Option Generating Facilities to the Base Case. ADNUs that are identified as needed for each electrical area shall be assigned to Merchant Option Generating Facilities based upon their flow impacts.

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

\* \* \* \*

## **6.7.2 Modifications.**

**6.7.2.1** During the course of the Interconnection Studies, the Interconnection Customer, Participating TO, or the CAISO may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to the CAISO, the Participating TO, and the Interconnection Customer, such acceptance not to be unreasonably withheld, the CAISO will modify the Point of Interconnection.

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

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

\* \* \* \*

**6.7.2.6** In addition to the options provided in this RIS, an Interconnection Customer may convert to Energy Only, Partial Capacity Deliverability Status, or a lower fraction of Partial Capacity Deliverability Status after the completion of its Interconnection Facilities Study. This conversion will become effective through the reassessment process described in Section 7.4. Interconnection Customers electing to convert to Energy Only after the completion of their Interconnection Facilities Studies will forgo eligibility for cash reimbursement for all Network Upgrades, but may receive Merchant Transmission CRRs pursuant to Section 36.11 of the CAISO Tariff. Except (i) as provided in Section 8.9.3.2 (ii) due to not receiving the requested TP Deliverability allocation, or (iii) due to declining a TP Deliverability allocation, Interconnection Customers that become Energy Only after their Interconnection Facilities Study may not reduce their cost responsibility for any assigned Delivery Network Upgrades as a result of converting to Energy Only unless the CAISO and Participating TO(s) determine that the Interconnection Customer's assigned Delivery Network Upgrade(s) is no longer needed for current Interconnection Customers.

\* \* \* \*

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

**7.1** [Not Used]

**7.2** [Not Used]

\* \* \* \*

**7.5** [Not Used]

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

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### **8.9 Allocation Process for TP Deliverability**

After the Interconnection Facilities Study reports are issued, the CAISO will perform the allocation of the TP Deliverability to Deliverable Option Generating Facilities that meet the eligibility criteria set forth in Section 8.9.2, and Merchant Option Generating Facilities that did not require ADNUs in their Interconnection Studies. The TP Deliverability available for allocation will be determined from the most recent Transmission Plan. Once a Generating Facility is allocated TP Deliverability, the facility will be required to comply with retention criteria specific in Section 8.9.3 in order to retain the allocation.

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

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

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#### **8.9.4 Parking for Generating Facilities**

For a Generating Facility in the current Interconnection Study Cycle that either was allocated less TP Deliverability than requested or does not desire to accept the amount allocated the Interconnection Customer shall select one of the following options:

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

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

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

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

##### **8.9.4.1 Extended Parking for Generating Facilities**

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

Interconnection Customers also elect to remain parked.

#### **8.9.5 Partial Allocations of Transmission Based Deliverability to Generating Facilities**

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

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

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

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

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

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

\* \* \* \*

## Section 9 Additional Deliverability Assessment Options

\* \* \* \*

### 9.4 Deliverability from Non-Participating TOs

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

- (a) The Generating Facility seeking Full or Partial Capacity Deliverability Status under the CAISO Tariff must submit a request to the CAISO to study it for such Status. Such study request will be in the form of the CAISO's pro forma Interconnection Request, 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, and must be submitted during a Cluster Application Window. The Generating Facility will be required to satisfy the same study deposit and Commercial Readiness Deposit posting requirements as an Interconnection Customer. 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 Non-Participating TO's interconnection to the CAISO Controlled Grid. The Generating Facility will be eligible for Deliverability and cash reimbursement for Delivery Network Upgrades where it satisfies the Cluster Study criteria in Section 4.
- (b) The Non-Participating TO that serves as the interconnection provider to the Generating Facility must treat the CAISO as an Affected System in the interconnection study process for the Generating Facility.
- (c) As part of the Non-Participating TO's interconnection study process, the CAISO, in its sole discretion and on a case-by-case basis, will determine the adequacy of transmission on the Non-Participating TO's system for the Generating Facility to be deemed fully deliverable to the elected Point of Delivery to the CAISO Controlled Grid. Only those proposed Generating Facilities (or proposed increases in Generating Facility capacity) for which the CAISO has determined there is adequate transmission capacity on the Non-Participating TO system to provide full Deliverability to the applicable Point of Delivery will be eligible to be assessed for Full or Partial Capacity Deliverability Status under the CAISO Tariff.
- (d) If the Generating Facility is eligible for study for Full or Partial Capacity Deliverability Status, the CAISO will include the Generating Facility in the Interconnection Study process for the Queue Cluster associated with the Cluster Application Window in which the Generating Facility has submitted its study request. The Point of Delivery with the CAISO will be treated as the Point of Interconnection for purposes of including the Generating Facility in a Cluster Study with any applicable CAISO Interconnection Customers in the relevant Queue Cluster. Pursuant to the Queue Cluster Interconnection Study process the Generating Facility will be allocated its cost responsibility share of any applicable LDNUs or ADNUs.
- (e) The CAISO, Participating TO, and Interconnection Customer will execute any necessary agreements for reimbursement of study costs incurred by it to assure

cost attribution for any Network Upgrades relating to any Deliverability status conferred to each such interconnection customer under the Non-Participating TO's tariff.

- (f) The Non-Participating TO's interconnection customer will receive repayment of funds expended for the construction of the LDNUs , and, as applicable, ADNUs, on the CAISO Controlled Grid in the same manner as CAISO Interconnection Customers, as specified in Section 14.3.2.

\* \* \* \*

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

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

- (a) RNUs and LDNUs. The Interconnection Studies will establish Interconnection Customers' Current Cost Responsibility, Maximum Cost Responsibility, and Maximum Cost Exposure consistent with the cost allocations described in Section 8. The CAISO will adjust Interconnection Customers' cost responsibilities as described in this RIS. Interconnection Customers will post Commercial Readiness Deposit and GIA Deposit based on their Current Cost Responsibility.
- (b) ADNUs. Interconnection Customers selecting 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.

\* \* \* \*

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

### **13.1 Tender**

#### **13.1.1**

The Interconnection Customer will tender comments on the draft Interconnection Facilities Study Report within thirty (30) calendar days of receipt of the report. Within thirty (30) calendar days after the latter of (a) the comments are submitted, (b) the Interconnection Customer notifies the CAISO it will not provide comments, the Participating TO will tender a draft GIA, together with draft appendices. The draft GIA will be in the form of the CAISO's FERC-approved standard form GIA, which is in Appendix LL or MM, as applicable. The Interconnection Customer will execute and return the GIA

and completed draft appendices within thirty (30) calendar days, unless (1) the sixty (60) calendar day negotiation period under Section 13.2 of this RIS has commenced, or (2) GIA execution, or filing unexecuted, has been delayed to await the Affected System Study Report pursuant to Section 13.2.1 of this RIS.

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

\* \* \* \*

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

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

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

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

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

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

Further, to the extent the timing of such Network Upgrades was not accounted for in determining a reasonable Commercial Operation Date among the CAISO, applicable

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

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

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

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

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

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

Notwithstanding any other provision, all refunds pursuant to this Appendix KK will be processed in accordance with the CAISO's generally accepted accounting



practices, including monthly batched deposit refund disbursements. Any CAISO deadline will be tolled to the extent the Interconnection Customer has not provided the CAISO with the appropriate documents to facilitate the Interconnection Customer's refund, or if the Interconnection Customer has any outstanding invoice balance due to the CAISO on another project owned by the same Interconnection Customer.

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

### **14.3 Network Upgrades**

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

#### **14.3.1 Initial Funding**

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

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

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

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

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

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

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

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

- (1) For RNUs, in accordance with the Interconnection Customer's cost responsibility assigned up to a maximum of \$60,000 per MW of generating capacity as specified in the GIA. The CAISO will publish an annual inflation factor and adjusted amount for this figure with the per unit cost publication on the CAISO Website pursuant to Section 6.4 of this RIS. Interconnection Customers will be entitled to repayment subject to the figure corresponding to their Commercial Operation Date. Energy Only Interconnection Customers that proceeded to the Cluster Study under Section 4.4 are ineligible for cash repayment for any RNU costs.
- (2) For LDNUs in accordance with the Interconnection Customer's Current Cost Responsibility.

- (3) Merchant Option Generating Facilities will not receive repayment for ADNUs.

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

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

\* \* \* \*

## **Appendix 2 Cluster Study Criteria**

1. Select one set of cluster study criteria pursuant to Section 4 of this RIS:
  - (a) \_\_\_ Request for Deliverability in Deliverable Zone
  - (b) \_\_\_ Request for Deliverability in Merchant Zone
  - (c) \_\_\_ Energy Only Interconnection Request eligible for cash reimbursement
  - (d) \_\_\_ Energy Only Interconnection Request ineligible for cash reimbursement
2. For Interconnection Customers selecting criteria (1)(a) or (1)(c), select which of the following are applicable and include all supporting documentation and deposits required by Section 4 of the RIS. The CAISO will validate all selections consistent with the RIS. Interconnection Customers expecting a Load Serving Entity to indicate commercial interest may select (2)(a) on an advisory basis to the CAISO. The CAISO will receive binding commercial interest points from Load Serving Entities pursuant to the RIS regardless of the indication here.

Commercial Interest (select one):

- (a) \_\_\_ The Interconnection Customer expects [\_\_\_\_], a Load Serving Entity to indicate commercial interest (up to 100 sub-points for commercial interest).
- (b) \_\_\_ The Interconnection Request has commercial interest from an entity that is not a Load Serving Entity (25 sub-points for commercial interest).
- (c) \_\_\_ The Interconnection Request does not have commercial interest at this time.

Project Viability Engineering Plan (select one):

- (a) \_\_\_ The Interconnection Request has an engineering design plan [\_\_\_] percent complete (up to 50 sub-points for project viability).
- (b) \_\_\_ The Interconnection Request does not have an engineering design plan at this time.

Project Viability Expansion (select one):

- (a) \_\_\_ The Interconnection Request is an expansion of a Generating Facility that has executed a GIA and submitted its notice to proceed and is under active construction (10 sub-points for project viability).
- (b) \_\_\_ The Interconnection Request is an expansion of an online Generating Facility (20 sub-points for project viability).
- (c) \_\_\_ The Interconnection Request is an expansion of a Generating Facility that has executed a GIA and submitted its notice to proceed and is under active construction 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 (50 sub-points for project viability).
- (d) \_\_\_ The Interconnection Request is not (a), (b), or (c).

System Need (select one):

- (a) \_\_\_ The Interconnection Request may provide Local Resource Adequacy in a local area the CAISO has designated in need of Local Resource Adequacy (50 sub-points for system

need).

- (b) \_\_\_\_ The Local Regulatory Authority has designed the Interconnection Request as a potential long-lead-time resource and the CAISO Transmission Plan includes Network Upgrades to support its potential interconnection (100 sub-points for system need). Interconnection Customers selecting (b) must provide supporting documentation of their Commercial Operation Date pursuant to Section 3.5.1.4 of this RIS.
- (c) \_\_\_\_ Neither (a) nor (b) apply at this time.

**Attachment B – Marked Tariff Language**

**Tariff Amendment – Track 2 of Interconnection Process Enhancements 2023 Initiative**

**California Independent System Operator Corporation**

**August 1, 2024**

# Appendix A<sup>1</sup>

## - Deliverability

Transmission capacity enabling the delivery of Energy to the aggregate of Load on the CAISO Controlled Grid at peak Load, under a variety of modeled stressed conditions. Deliverability includes (1) ~~t~~The annual Net Qualifying Capacity of a Generating Facility, as verified through a Deliverability Assessment and measured in MW, which specifies the amount of resource adequacy capacity the Generating Facility is eligible to provide; (2) ~~t~~The annual Maximum Import Capability of an Intertie, which specifies the amount of resource adequacy capacity, measured in MW, that Load-Serving Entities collectively can procure from imports at that Intertie to meet their resource adequacy requirements; and (3) TP Deliverability.

\* \* \* \*

## - Deliverable Option

An election by an Interconnection Customer seeking Deliverability to interconnect in a Deliverable Zone, and receive cash reimbursement or Merchant Transmission CRRs for Network Upgrades, but without any guarantee of Deliverability.

## - Deliverable Zone

A Transmission Zone with at least 50 MW of available Deliverability before the Cluster Application Window.

\* \* \* \*

## - Energy-Only Deliverability Status (Energy Only)

A condition elected by an Interconnection Customer for a Generating Facility interconnected with the CAISO Controlled Grid the result of which is that the Interconnection Customer is responsible only for the costs of Reliability Network Upgrades and is not responsible for the costs of Delivery Network Upgrades, but the Generating Facility will be deemed to have a Net Qualifying Capacity of zero, and, therefore, cannot be considered to be a Resource Adequacy Resource.

\* \* \* \*

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<sup>1</sup> All tariff revisions in this document are based on the CAISO's pending tariff revisions, including Order No. 2023 compliance. Any changes to pending tariff revisions directed by FERC after these tariff revisions are filed will be addressed through a reconciliation filing.

**- Merchant Option**

An election by an Interconnection Customer seeking Deliverability to interconnect in a Merchant Zone and forgo any cash reimbursement for any Area Delivery Network Upgrade costs and instead receive Merchant Transmission CRRs under Section 36.11 of the CAISO Tariff.

\* \* \* \*

**- Merchant Zone**

A Transmission Zone with less than 50 MW of available Deliverability before the Cluster Application Window.

\* \* \* \*

**- TP Deliverability (Transmission Plan Deliverability)**

The capability, measured in MW, of the CAISO Controlled Grid as modified by transmission upgrades and additions modeled or identified in the annual Transmission Plan to support the interconnection with Full Capacity Deliverability Status or Partial Capacity Deliverability Status of additional Generating Facilities in a specified geographic or electrical area of the CAISO Controlled Grid.

\* \* \* \*

**- Transmission Zone**

A study area determined in the Transmission Plan and used in the Transmission Planning Process and Interconnection Studies based on electrically proximate constraints, transmission, load, and supply resources.



# Appendix DD

## Section 17. Cluster 15 Unique Procedures

Notwithstanding Section 3.3.1, the CAISO will not open a Queue Cluster Application Window in 2024. Except for this Section 17, Cluster 15 will be subject to the RIS and not the GIDAP.

### 17.1 Study Procedures and Timelines

- a) Consistent with the process set forth in Section 3.5.2, the CAISO will validate Cluster 15 Interconnection Requests between January 1, 2025 and May 1, 2025. Interconnection Requests with deficiencies after that date will be deemed invalid and will not be included in Cluster 15. Interconnection Customers in Cluster 15 must submit any element required under Section 3.5.1 of the RIS not previously submitted before May 1, 2025.
- b) Between October 1, 2024 and December 1, 2024, Interconnection Customers may submit any element required under Section 3.5.1 of the RIS not previously submitted. During this time, Interconnection Customers also may modify their Interconnection Requests (a) as permissible under Section 6.7.2.2~~(a) — (h)~~ of this GIDAP; (b) to change generating technology or fuel; ~~and~~ (c) to add or increase energy storage capacity; (d) to change their Points of Interconnection within the same Transmission Zone; and (e) to change their requested Deliverability Statuses. The CAISO will not accept any modification under this Section 17.1(b) that would result in increasing the Interconnection Service Capacity or Deliverability requested. Interconnection Customers modifying their Interconnection Requests must submit updated information required under Section 3.5 to reflect the modification. Except for changes to the Point of Interconnection, which must be submitted by December 1, 2024, Modifications effected pursuant to this provision will not affect Interconnection Customers' rights to modify their Interconnection Requests after December 1, 2024 under the RIS.
- c) An Interconnection Customer that withdraws its Interconnection Request prior to January 1, 2025 will receive a refund of its Interconnection Study Deposit, including any interest earned, minus any costs expended on the Interconnection Customer's behalf. If an Interconnection Customer submitted a Site Exclusivity Deposit, it will receive a complete refund of its Site Exclusivity Deposit, including any interest earned. Withdrawals effected pursuant to this provision will not affect Interconnection Customers' rights to withdraw after January 1, 2025, and receive any corresponding refund and interest under the RIS.
- d) The CAISO will begin the Cluster 15 Cluster Study on June 1, 2025. With the commencement of the Cluster Study, the CAISO, Participating TOs, and Interconnection Customers will comply with all RIS provisions, schedules, rights, and obligations.
- e) Load Serving Entities must comply with Section 4 of the RIS by October 1, 2024, and with Section 3.5.4 of the RIS by December 23, 2024.
- f) Pursuant to Sections 3.5 and 4 of the RIS, the CAISO will notify Interconnection Customers they satisfied the scoring criteria, must participate in an auction, or failed the scoring criteria by February 12, 2025. Interconnection Customers participating in an auction must submit bids by February 26, 2025. The CAISO will notify Interconnection Customers of the results of their auctions by March 5, 2025.

# Appendix KK

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

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

At the Interconnection Customer's option, the CAISO, Participating TO, and Interconnection Customer will identify alternative Point(s) of Interconnection and configurations at a Scoping Meeting within the Customer Engagement Window to evaluate in this process and attempt to eliminate alternatives in a reasonable fashion given resources and information available. The Interconnection Customer will select the definitive Point of Interconnection to be studied no later than the execution of the end of the Customer Engagement Window 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.

\* \* \* \*

### **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, ~~and a~~ 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 equal to two times the study deposit described in Section 3.5.1.1 of this RIS in the form of an irrevocable letter of credit, cash, a surety bond, or other form of security that is reasonably acceptable to the CAISO under Section 11.1 of this RIS. This Commercial Readiness Deposit is refunded to Interconnection Customer according to Section 3.8 of this RIS,
- (xii) If applicable, (a) the requested operating assumptions (*i.e.*, whether the interconnecting Generating Facility will or will not charge at peak load) to be used by the CAISO and Participating TO that reflect the proposed charging behavior of the Generating Facility that includes at least one electric storage resource, and (2) a description of any control technologies (software and/or hardware) that will limit the operation of the Generating Facility to the operating assumptions submitted by the Interconnection Customer.
- (xiii) 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.

\* \* \* \*

### 3.5.2 Customer Engagement Window.

Upon the close of each Cluster Application Window, the CAISO will open a ninety (90) calendar day period (Customer Engagement Window). During the Customer Engagement Window, the CAISO will hold ~~a~~ Scoping 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, 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 ~~is deemed complete~~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.

\* \* \* \*

### **3.6.4 Study Criteria Data**

By September 1 each year, the CAISO will publish the following information on the CAISO Website to inform the preparation of Interconnection Requests under the Cluster Study criteria in Section 4:

- (i) Single-line diagrams of each Transmission Zone with the Local Regulatory Authority portfolio resources identified at the substations to which the Local Regulatory Authority has mapped resources in its busbar mapping process;
- (ii) Any Area Deliverability Constraints in each Transmission Zone, the amount of any available Deliverability, ADNUs to increase Deliverability in Merchant Zones, and the estimated cost and time to construct identified ADNUs;
- (iii) Single-line diagrams identifying the Points of Interconnection studied for each Area



Deliverability Constraint;

- (iv) A list of current substations within each Transmission Zone;
- (v) For each Area Deliverability Constraint, the Points of Interconnection for current Interconnection Customers;
- (vi) The TP Deliverability already allocated for each Area Deliverability Constraint; and
- (vii) The value of Local Capacity Area Resource Deficiencies in Transmission Zones and Local Capacity Areas.

\* \* \* \*

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

#### **Section 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 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.

#### **Section 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 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 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.

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#### **Section 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.

#### **Section 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 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 places, 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.

#### **Section 4.2 Criteria for Requests for Deliverability in Merchant Zones**

Interconnection Requests in Merchant Zones seeking any Deliverability proceed to the Cluster Study but are subject to the Merchant Option, and may not receive any cash reimbursement under this RIS or the GIA for any costs for Area Delivery Network Upgrades, and instead may

receive Merchant Transmission CRRs pursuant to Section 36.11 of the CAISO Tariff. For all other Network Upgrades, the Interconnection Customer may receive reimbursement as provided in this RIS and its GIA.

An Interconnection Customer that submits an Interconnection Request seeking Deliverability in a Merchant Zone must include an additional Merchant Option deposit of \$10,000/MW of all requested deliverable Generating Facility capacity, but not less than \$500,000 or more than \$5,000,000. The deposit may be in any form or combination of forms under Section 11.1. The Merchant Option deposit is fully refundable prior to the close of the Customer Engagement Window. After the Customer Engagement Window, fifty percent (50%) is non-refundable. Before the Cluster Rerestudy commences or if no Cluster Rerestudy for that Queue Cluster occurs, the Interconnection Customer must raise its Merchant Option deposit to fifty percent (50%) of its Current Cost Responsibility for its assigned Area Delivery Network Upgrades, without minimum or limit.

If the Merchant Option Interconnection Customer's assigned Area Delivery Network Upgrade is approved in the CAISO's Transmission Plan before any Interconnection Customer sharing the Area Delivery Network Upgrade executes its GIA, such that the Area Delivery Network Upgrade was not in the Base Case for that Transmission Plan, the Interconnection Customer may reduce its Merchant Option deposit to remove the costs for that Area Delivery Network Upgrade. To retain TP Deliverability from that Area Delivery Network Upgrade, the Interconnection Customer must meet the TP Deliverability allocation criteria under Section 8.9.2 (A) or (B) no later than the affidavit submission deadline for the second TP Deliverability allocation process after the approved Transmission Plan publication. Failure to retain TP Deliverability under this rule will result in conversion to Energy Only.

#### **Section 4.3 Criteria for Energy Only Requests Eligible for Cash Reimbursement**

Energy Only Interconnection Requests seeking eligibility for cash reimbursement for Reliability Network Upgrades may proceed to the Cluster Study only where they meet the requirements of this Section. Reimbursement will still be subject, without limitation, to Section 14.3.2 of this RIS. The Interconnection Request must be in a Transmission Zone where the Local Regulatory Authority has designated a specific MW quantity of Energy Only capacity for procurement.

The Interconnection Customer will submit all information for scoring required by Section 4.1. The CAISO will administer the same scoring and tiebreaking processes in Section 4.1 with the following exceptions:

- a) the CAISO will only consider the Energy Only Interconnection Requests subject to this Section 4.3, excluding all other Interconnection Requests submitted in the Cluster Application Window;
- b) the CAISO will solve for one hundred fifty percent (150%) of Local Regulatory Authority Energy Only MW procurement target in that Transmission Zone instead of one hundred fifty percent (150%) of the available Deliverability at their relevant Transmission Constraint;
- c) Instead of the auction as final tiebreaker, the CAISO will include the remaining tied Interconnection Request(s) with the least Interconnection Service Capacity until it satisfies the one hundred fifty percent (150%) threshold; and
- d) The CAISO will allocate points for Load Serving Entities to demonstrate commercial interest pursuant to Section 4.3.1.

Interconnection Requests exceeding the one hundred fifty percent (150%) limit and losing all applicable tiebreakers may elect to proceed to the Cluster Study subject to Section 4.4. Interconnection Customers must make this election within five (5) Business Days of being informed that the Interconnection Request is not eligible for study under this Section 4.3.

### **Section 4.3.1 Load Serving Entity Points**

To allocate commercial interest points to Energy Only Interconnection Customers, Load Serving Entities must comply with all requirements in Section 4.1.1.1. To determine available commercial interest points for allocation, the CAISO will take the total aggregate MW of Energy Only capacity procurement in the most recent CAISO Transmission Plan, as informed by Local Regulatory Authorities. 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.

### **Section 4.4 Criteria for Energy Only Requests Ineligible for Cash Reimbursement**

In any Transmission Zone, Energy Only Interconnection Requests may proceed to the Cluster Study without meeting the requirements of Section 4.3 where they elect to forgo eligibility for cash reimbursement for Reliability Network Upgrades. Interconnection Customers electing to proceed to the Cluster Study under this option may receive Merchant Transmission CRRs pursuant to Section 36.11 of the CAISO Tariff.

\* \* \* \*

## **Section 6 Cluster Study Process**

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

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

#### **6.1.2 Scoping Meeting**

During the Customer Engagement Window, the CAISO will hold ~~a~~ Scoping Meetings with all Interconnection Customers whose valid Interconnection Requests were received in that Cluster Application Window and satisfied the Cluster Study criteria in Section 4 of this RIS. Scoping Meetings will be segregated by Transmission Zone and Cluster Study criteria.

The purpose of the Cluster Study Scoping Meeting will be to discuss alternative interconnection options, to exchange information including any transmission data and earlier study evaluations that would reasonably be expected to impact such interconnection options, to discuss the Cluster Study materials posted to the CAISO Website pursuant to Section 3.5 and 3.6 of this RIS, if applicable, and to analyze such information. The CAISO and the Interconnection Customer(s) will bring to the meeting such technical data, including, but not limited to: (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues as may be reasonably required to accomplish the purpose of the meeting. The CAISO and the Interconnection Customer(s) also will bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. ~~On the basis of the meeting, the Interconnection Customer(s) will designate its Point of Interconnection.~~ The duration of the meeting will be

sufficient to accomplish its purpose. All Interconnection Customers must execute the non-disclosure agreement under Section 2.3 of this RIS prior to a group Cluster Study Scoping Meeting, which provides for confidentiality of identifying information or commercially sensitive information pertaining to any other Interconnection Customers.

\* \* \* \*

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

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

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

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

Interconnection Customers assigned IRNUs in their Cluster Study will be allocated the full cost of the IRNUs in their Maximum Cost Responsibility. The Maximum Cost Exposure will include the full costs of conditionally assigned IRNUs. The Current Cost Responsibility will include their allocated share of IRNU costs.

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

The Cluster Study will identify ADNUs for Interconnection Customers in Merchant Zones that have selected the Merchant Option. The Base Cases will include Deliverable Option Generating Facilities in the current Interconnection Study Cycle and earlier queued Generating Facilities that will utilize TP Deliverability in a total amount that fully utilizes but does not exceed the available TP Deliverability. The CAISO will reserve TP Deliverability for those Merchant Option Interconnection Customers that triggered and finance ADNUs.

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

If the MW capacity of the Deliverable Option Generating Facilities and earlier queued Generating Facilities utilizing TP Deliverability in an area exceeds the TP Deliverability in any electrical area,

the Base Case will include a representative subset of Generating Facilities that fully utilizes but does not exceed the TP Deliverability.

After the CAISO has modeled the Deliverable Option Generating Facilities, the CAISO will add Merchant Option Generating Facilities to the Base Case. ADNUs that are identified as needed for each electrical area shall be assigned to Merchant Option Generating Facilities based upon their flow impacts.

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

\* \* \* \*

## 6.7.2 Modifications.

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

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

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

\* \* \* \*

**6.7.2.6** In addition to the options provided in this RIS, an Interconnection Customer may convert to Energy Only, Partial Capacity Deliverability Status, or a lower fraction of Partial Capacity Deliverability Status after the completion of its Interconnection Facilities Study. This conversion will become effective through the reassessment process described in Section 7.4. Interconnection Customers electing to convert to Energy Only after the completion of their Interconnection Facilities Studies will forgo eligibility for cash reimbursement for all Network Upgrades, but may receive Merchant Transmission CRRs pursuant to Section 36.11 of the CAISO Tariff. Except (i) as provided in Section 8.9.3.2 (ii) due to not receiving the requested TP Deliverability allocation, or (iii) due to declining a TP Deliverability allocation, Interconnection Customers that become Energy Only after their Interconnection Facilities Study may not reduce their cost responsibility for any assigned Delivery Network Upgrades as a result of converting to Energy Only unless the CAISO and Participating TO(s) determine that the Interconnection Customer's assigned Delivery Network Upgrade(s) is no longer needed for current Interconnection Customers.

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

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

### **7.2 ~~Full/Partial Capacity Deliverability Options for Interconnection Customers~~ [Not Used]**

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

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

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

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

\* \* \* \*

### **7.5 ~~Option (B) Customers~~[Not Used]**

~~The annual reassessment will identify ADNUs for Interconnection Customers who have selected Option (B). The Base Case for the reassessment will include Option (A) Generating Facilities in the current Interconnection Study Cycle and earlier queued Generating Facilities that will utilize~~



~~TP Deliverability in a total amount that fully utilizes but does not exceed the available TP Deliverability.~~

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

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

~~After the CAISO has modeled the Option (A) Generating Facilities, as described above, the CAISO will add Option (B) Generating Facilities to the Base Case. ADNUs that are identified as needed for each electrical area shall be assigned to Option (B) Generating Facilities based upon their flow impacts.~~

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

\* \* \* \*

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

\* \* \* \*

### 8.9 Allocation Process for TP Deliverability

After the Interconnection Facilities Study reports are issued, the CAISO will perform the allocation of the TP Deliverability to ~~Option (A)~~Deliverable Option and ~~Option (B)~~ Generating Facilities that meet the eligibility criteria set forth in Section 8.9.2, and Merchant Option Generating Facilities that did not require ADNUs in their Interconnection Studies. The TP Deliverability available for allocation will be determined from the most recent Transmission Plan. Once a Generating Facility is allocated TP Deliverability, the facility will be required to comply with retention criteria specific in Section 8.9.3 in order to retain the allocation.

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

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

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

For an ~~Option (A)~~ Generating Facility in the current Interconnection Study Cycle that either was allocated less TP Deliverability than requested or does not desire to accept the amount allocated the Interconnection Customer shall select one of the following options:

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

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

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

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

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

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

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

If a Generating Facility is allocated TP Deliverability in the current Interconnection Study

Cycle in an amount less than the amount of Deliverability requested, then the Interconnection Customer must choose one of the following options:

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

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

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

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

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

\* \* \* \*

## Section 9 Additional Deliverability Assessment Options

\* \* \* \*

### 9.4 Deliverability from Non-Participating TOs

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

- (a) The Generating Facility seeking Full or Partial Capacity Deliverability Status under the CAISO Tariff must submit a request to the CAISO to study it for such Status. Such study request will be in the form of the CAISO's pro forma Interconnection Request, 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, and must be submitted during a Cluster Application Window. The Generating Facility will be required to satisfy the same study deposit and Commercial Readiness Deposit posting requirements as an Interconnection Customer. 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 Non-Participating TO's interconnection to the CAISO Controlled Grid. The Generating Facility will be eligible for Deliverability and cash reimbursement for Delivery Network Upgrades where it satisfies the Cluster Study criteria in Section 4.
- (b) The Non-Participating TO that serves as the interconnection provider to the Generating Facility must treat the CAISO as an Affected System in the interconnection study process for the Generating Facility.
- (c) As part of the Non-Participating TO's interconnection study process, the CAISO, in its sole discretion and on a case-by-case basis, will determine the adequacy of transmission on the Non-Participating TO's system for the Generating Facility to be deemed fully deliverable to the elected Point of Delivery to the CAISO Controlled Grid. Only those proposed Generating Facilities (or proposed increases in Generating Facility capacity) for which the CAISO has determined there is adequate transmission capacity on the Non-Participating TO system to provide full Deliverability to the applicable Point of Delivery will be eligible to be assessed for Full or Partial Capacity Deliverability Status under the CAISO Tariff.
- (d) If the Generating Facility is eligible for study for Full or Partial Capacity Deliverability Status, the CAISO will include the Generating Facility in the Interconnection Study process for the Queue Cluster associated with the Cluster Application Window in which the Generating Facility has submitted its study request. The Point of Delivery with the CAISO will be treated as the Point of Interconnection for purposes of including the Generating Facility in a Cluster Study with any applicable CAISO Interconnection Customers in the relevant Queue Cluster. Pursuant to the Queue Cluster Interconnection Study process the Generating Facility will be allocated its cost responsibility share of any applicable LDNUs or ADNUs.

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

~~Deliverability allocation under Section 8.~~

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

\* \* \* \*

## Section 10 Cost Responsibility for Interconnection Customers

### 10.1 Interconnection Customers in a Queue Cluster.

- (a) RNUs and LDNUs. The Interconnection Studies will establish Interconnection Customers' Current Cost Responsibility, Maximum Cost Responsibility, and Maximum Cost Exposure consistent with the cost allocations described in Section 8. The CAISO will adjust Interconnection Customers' cost responsibilities as described in this RIS. Interconnection Customers will post Commercial Readiness Deposit and GIA Deposit based on their Current Cost Responsibility.
- (b) ADNUs. Interconnection Customers selecting the Option (A) 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 Option (B) 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 Option (B) 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.

\* \* \* \*

## Section 13 Generator Interconnection Agreement (GIA)

### 13.1 Tender

#### 13.1.1

The Interconnection Customer will tender comments on the draft Interconnection Facilities Study Report within thirty (30) calendar days of receipt of the report. Within thirty (30) calendar days after the latter of (a) the comments are submitted, (b) the

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

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

\* \* \* \*

## Section 14 Construction and Neighboring System Impacts

\* \* \* \*

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

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

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

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

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

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

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

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

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

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

**14.2.4.2** The Generating Unit owner will provide the CAISO a \$10,000 deposit for the limited operation study with the request. Except as provided below, any limited operation study will be concluded, and a response provided to the Generating Unit owner in writing, within forty-five (45) calendar days from when the CAISO receives all of the following: the Generating Unit owner's written



approval of the limited operation study plan, technical data required to assess the request, and the \$10,000 deposit. If the limited operation study cannot be completed within that time period, the CAISO will notify the Generating Unit owner and provide an estimated completion date and an explanation of the reasons why additional time is required.

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

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

### **14.3 Network Upgrades**

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

#### **14.3.1 Initial Funding**

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

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

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

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

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

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

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

- (1) For RNUs, in accordance with the Interconnection Customer's cost responsibility assigned up to a maximum of \$60,000 per MW of generating capacity as specified in the GIA. The CAISO will publish an annual inflation factor and adjusted amount for this figure with the per unit cost publication on the CAISO Website pursuant to Section 6.4 of this RIS. Interconnection Customers will be entitled to repayment



subject to the figure corresponding to their Commercial Operation Date.  
Energy Only Interconnection Customers that proceeded to the Cluster Study under Section 4.4 are ineligible for cash repayment for any RNU costs.

- (2) For LDNUs, ~~except for LDNUs for Option (B) Generating Facilities that were not allocated TP Deliverability,~~ in accordance with the Interconnection Customer's Current Cost Responsibility.
- (3) ~~Option (B) Merchant Option~~ Generating Facilities ~~that were not allocated TP Deliverability~~ will not receive repayment for ~~LDNUs or~~ ADNUs.

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

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

\* \* \* \*

**Appendix 2**  
**[Intentionally Omitted] Cluster Study Criteria**

1. Select one set of cluster study criteria pursuant to Section 4 of this RIS:

- (a) Request for Deliverability in Deliverable Zone
- (b) Request for Deliverability in Merchant Zone
- (c) Energy Only Interconnection Request eligible for cash reimbursement
- (d) Energy Only Interconnection Request ineligible for cash reimbursement

2. For Interconnection Customers selecting criteria (1)(a) or (1)(c), select which of the following are applicable and include all supporting documentation and deposits required by Section 4 of the RIS. The CAISO will validate all selections consistent with the RIS. Interconnection Customers expecting a Load Serving Entity to indicate commercial interest may select (2)(a) on an advisory basis to the CAISO. The CAISO will receive binding commercial interest points from Load Serving Entities pursuant to the RIS regardless of the indication here.

Commercial Interest (select one):

- (a) The Interconnection Customer expects [ ] a Load Serving Entity to indicate commercial interest (up to 100 sub-points for commercial interest).
- (b) The Interconnection Request has commercial interest from an entity that is not a Load Serving Entity (25 sub-points for commercial interest).
- (c) The Interconnection Request does not have commercial interest at this time.

Project Viability Engineering Plan (select one):

- (a) The Interconnection Request has an engineering design plan [ ] percent complete (up to 50 sub-points for project viability).
- (b) The Interconnection Request does not have an engineering design plan at this time.

Project Viability Expansion (select one):

- (a) The Interconnection Request is an expansion of a Generating Facility that has executed a GIA and submitted its notice to proceed and is under active construction (10 sub-points for project viability).
- (b) The Interconnection Request is an expansion of an online Generating Facility (20 sub-points for project viability).
- (c) The Interconnection Request is an expansion of a Generating Facility that has executed a GIA and submitted its notice to proceed and is under active construction 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 (50 sub-points for project viability).
- (d) The Interconnection Request is not (a), (b), or (c).

System Need (select one):

- (a) The Interconnection Request may provide Local Resource Adequacy in a local area the CAISO has designated in need of Local Resource Adequacy (50 sub-points for system

need).

(b) \_\_\_\_ The Local Regulatory Authority has designed the Interconnection Request as a potential long-lead-time resource and the CAISO Transmission Plan includes Network Upgrades to support its potential interconnection (100 sub-points for system need). Interconnection Customers selecting (b) must provide supporting documentation of their Commercial Operation Date pursuant to Section 3.5.1.4 of this RIS.

(c) \_\_\_\_ Neither (a) nor (b) apply at this time.