

## Stakeholder Comments Template

### Subject: Small and Large Generator Interconnection Procedures Draft Final Proposal and Meeting

Submitted by	Company	Date Submitted
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This template was created to help stakeholders submit written comments on topics related to the July 20, 2010 Small and Large Generator Interconnection Procedures Draft Final Proposal and July 27, 2010 Small and Large Generator Interconnection Procedures Stakeholder Meeting. Please submit comments and thoughts (in MS Word) to [dkirrene@caiso.com](mailto:dkirrene@caiso.com) no later than 5:00 pm PDT August 4, 2010.

Please add your comments where indicated responding to the questions raised. Your comments will be most useful if you provide the business case or other reasons why you support particular aspects of the proposal. Any other comments on the proposal are also welcome. The comments received will assist the ISO with the development of the FERC filing of modified tariff language.

#### Overall Assessment of the ISO Proposal

In September, the ISO Board of Governors will be asked to authorize a filing at FERC of tariff language to implement the elements of the Draft Final Proposal (with possible modifications in response to this round of comments).

1. Do you support ISO Board approval of the proposal? Why or why not?
2. Do you believe the proposal accomplishes the objectives this initiative was intended to address? If not, please explain.
3. Do you believe the proposal reflects an appropriate balance of the various stakeholder interests and concerns raised in this process? If not, please explain.

#### Proposed Study Deposit Amounts and/or Processing Fees

1. In general, do you support the proposed study deposit amounts and/or processing fees? **YES**
2. If not, what modifications are needed and why?

#### Proposed Annual Cluster Study Track

1. In general, do you support the ISO's proposal to study projects of any size in a single, unified cluster? **YES**
2. If not, what modifications are needed and why?
3. If you do not support a single cluster approach in any form, what would be your preferred alternative and why?

*Second Application Window – Scoping Meeting*

1. In general, do you support the ISO's proposal to open a second application window to receive interconnection requests for the purpose of receiving a scoping meeting? **YES**
2. If not, what modifications are needed and why?

*Second Application window – Enter Cluster at Phase II*

1. In general, do you support the ISO's proposal to open a second application window to receive interconnection requests for the purpose of waiving the Phase I study and entering the cluster for study at the Phase II study? **YES**
2. If not, what modifications are needed and why?

*Second Application Window – Enter Cluster at Phase II Criteria*

1. In general, do you support the ISO's proposed criteria to qualify a project to waive the Phase I study and enter the cluster at the Phase II study? **YES**
2. If not, what modifications are needed and why?

Coordination with the Transmission Planning Process

1. In general, do you support the ISO's proposal to reevaluate certain network upgrades in the Transmission Planning Process? **YES**
2. If not, what modifications are needed and why?
3. If a network upgrade is selected for reevaluation by the Transmission Planning Process should the associated generation project proceed with a Large Generator Interconnection Agreement that contains a provision to allow for later amendment of the Large Generator Interconnection Agreement if warranted by the Transmission Planning Process reevaluation results? Why or why not? **YES, BECAUSE IT ALLOWS THE PROJECT TO MOVE FORWARD WITH ITS PHYSICAL INTERCONNECTION (WITH A SIGNED LGIA) AND DOES NOT INJECT UNNECESSARY SCHEDULE DELAYS DURING THE REEVALUATION OF ITS 'NETWORK UPGRADES' IN THE TRANSMISSION PLANNING PROCESS.**

Independent Study Processing Track

1. In general, do you support the ISO's Independent Study Processing Track proposal? **YES**
2. What modifications are needed and why?
3. What specific aspects of a developer's project development process make it impossible for a developer to demonstrate eligibility for the Independent Study Processing Track at the time of the Interconnection Request?

Fast Track less than 2 MW

1. Should the ISO remove the 10<sup>th</sup> screen from the Fast Track? Why or why not? **NO COMMENT**
2. Should the ISO increase the size limit for Fast Track qualification? If so, would you support a 5MW size limit or a different value? Explain your reasons. **NO COMMENT**

#### Method to Determine Generator Independence

1. In general, do you support the ISO's proposed method to determine generator independence? **YES**
2. If not, what approach would you propose for determining generator independence? Explain why your proposed approach is superior to the ISO's proposal.
3. If you prefer completely eliminating the independence criterion to qualify for the Independent Study Processing Track, how would you address the concern about impacts of Independent Study Processing Track projects on other interconnection customers (including cluster projects) in higher queue positions?

#### Deliverability Proposal

##### *One-Time – Enter Cluster 4*

1. In general, do you support the ISO's proposal to allow a one-time deliverability assessment to obtain Full Capacity during cluster 4? **YES, EXCEPT FOR THE FOLLOWING PROVISION: "ENERGY ONLY PROJECTS MUST CHOOSE TO REMAIN IN SERIAL GROUP OR TRANSITION CLUSTER OR TRANSFER TO CLUSTER 4 AS A 'FULL CAPACITY' PROJECT"**

If not, what modifications would you support and why?

**THE SERIAL GROUP OR TRANSITION CLUSTER PROJECTS SHOULD BE ALLOWED TO PROCEED IN ITS CURRENT PROCESS AND EXECUTE AN 'ENERGY ONLY' LGIA THAT CONTAINS PROVISIONAL LANGUAGE ALLOWING IT TO BE AMENDED TO 'FULL CAPACITY' AFTER THE 'DELIVERABILITY ASSESSMENT' IS COMPLETED IN THE CLUSTER 4 PHASE II STUDIES (10/30/12). THIS ALLOWANCE WOULD ENABLE A PROJECT TO CONTINUE TO MOVE FORWARD WITH ITS PHYSICAL INTERCONNECTION WITHOUT DELAY. THE LGIA WITH PROVISIONAL LANGUAGE CONCEPT IS SIMILAR TO THE PROPOSAL FOR PROJECTS THAT HAVE NETWORK UPGRADES SUBJECT TO REEVALUATION IN THE TRANSMISSION PLANNING PROCESS. IF NOT, THE SERIAL GROUP AND TRANSITION CLUSTER PROJECTS THAT ARE CURRENTLY IN LGIA NEGOTIATIONS (OR IMINENT) WILL UNNECESSARILY BE DELAYED FOR AN "ADDITIONAL" TWO YEARS TO BECOME INTERCONNECTED/SIGN AN LGIA. SPECIFICALLY, SOME TRANSITION CLUSTER PROJECTS HAVE ALREADY HAD MAJOR TIMELINE SETBACKS DUE TO TRANSITION FROM THE LGIP TO THE REVISED LGIP (GIPR) BECAUSE THEIR SPECIFIC SISs WERE NOT COMPLETED (TO NO FAULT OF THEIR OWN).**

**SPECIFIC BUSINESS CASE:**

**THIS PROPOSAL DOES NOT WORK FOR THREE KNOWN SPECIFIC PROJECTS IN THE TRANSITION CLUSTER THAT SELECTED 'ENERGY ONLY' THAT NOW NEED TO CONVERT TO 'FULL CAPACITY' (DUE TO THE RECENT CHANGE IN MARKET STRUCTURE THAT DESIRES ONLY FULL CAPACITY PROJECTS FOR 'RESOURCE ADEQUACY' PURPOSES). ALL THREE PROJECT'S INTERCONNECTION REQUESTS WERE SUBMITTED IN SPRING 2007. IF THIS PROVISION FOR THESE PROJECTS TO CHOOSE BETWEEN REMAINING IN THE TRANSITION CLUSTER OR TO CHANGE TO CLUSTER 4 AS A FC PROJECT IS UPHeld...IT YIELDS A "NO-WIN" SITUATION. IF THE PROJECTS CHOOSE TO REMAIN IN THE TRANSITION CLUSTER, THEY ARE NO LONGER VIABLE PROJECTS BECAUSE A POWER PURCHASE AGREEMENT (PPA) CANNOT BE SECURED DUE TO THEIR INABILITY TO PROVIDE RESOURCE ADEQUACY BENEFITS (i.e., REMAINS EO). IF IT CHOOSES THE CLUSTER 4 PROCESS AS A FULL CAPACITY PROJECT, THEN THE INTERCONNECTION PROCESS FROM IR SUBMITTAL TO SIGNING THE LGIA WILL TAKE ALMOST *SIX YEARS* TO COMPLETE (SPRING 2007 TO FALL 2012)!**

**WE URGE THE CAISO TO TAKE A CLOSER LOOK AT THIS PROVISION AND CONSIDER THE OPTION FOR A SERIAL GROUP OR TRANSITION CLUSTER PROJECT TO SIGN AN EO LGIA WITH PROVISIONAL LANGUAGE TO CONVERT TO AN FC LGIA ONCE THE 'DELIVERABILITY ASSESSMENT' IS COMPLETED IN THE CLUSTER 4 PHASE II STUDY PROCESS.**

*Annual – Available Transmission*

1. In general, do you support the ISO's proposal to provide an annual opportunity for qualified projects to request and obtain Full Capacity using available transmission? **YES**
2. If not, what modifications would you support and why?

Financial Security Postings

1. In general, do you support the ISO's financial security postings proposal? **YES**
2. What modifications are needed and why?

Transition Plan

1. In general do you support the ISO's proposed transition plan? **YES**
2. What modifications are needed to all you to support the ISO's transition plan?

What aspect of the ISO's Draft Final Proposal do you find most favorable?

**- DELIVERABILITY PROPOSAL (OPTION 3): CREDIT FOR STUDY DEPOSITS PAID FOR CURRENTLY STUDIED PROJECTS**

What aspect of the ISO's Draft Final Proposal do you find least favorable? Please provide the business case or other rationale for your answer.