



Submit comment on Final proposal

Initiative: Interconnection process enhancements 2023

1. Please provide your organization's comments on the Interconnection Process Enhancements (IPE) 2023 Track 2 Final Proposal:

While we appreciate the additional detail in the final Track 2 proposal regarding how the proposed new interconnection process would be implemented, some of those details raise additional concerns. Moreover, CalWEA's fundamental concerns with the proposal have not been addressed and we remain opposed to it.

In summary: The proposed study process would use information other than what is most vital to project viability – transmission upgrade costs and timelines – to enable a small fraction of early-stage projects to be studied. The proposal would increase the risk of the study process for developers by requiring them to commit to the process without knowing the amount of available capacity. Control over which projects move forward would largely be subjectively determined by LSEs that would make decisions about queued projects without any information about their transmission costs and timelines. Therefore, determinations would be influenced by subjective factors, such as whether they create local jobs, inviting arbitrary and anti-competitive behavior. As a result of these factors, the proposed process would leave many projects behind that could otherwise prove to be economic and developable. The proposal would also drive applications to LCR areas where development costs are higher and large-scale solar and wind development is not feasible. The proposal is also likely to result in skyrocketing land prices in the few areas identified by CAISO as developable areas. These skyrocketing land prices will be paid by ratepayers, exacerbating electricity affordability problems. For these reasons, the proposal is fundamentally at odds with open-access principles, is anti-competitive, will drive costs up for electricity consumers and make it more difficult to achieve the state's electrification goals, and should be reconsidered.

Regarding the additional details in the final proposal, CalWEA strongly objects to Section 3.4 related to Queue Management - Viability and Time in Queue. The proposal would prohibit projects from filing Material Modification Assessments (MMAs) to change characteristics that are necessary to maintain project viability after Commercial Viability Criteria are met. This would include requesting gen-tie sharing and adding energy storage. Projects meeting Commercial Viability Criteria are those that are serious and viable. Nevertheless, during development, some modifications are inevitable and sometimes must be made to preserve project viability. CAISO's proposed limitations are unjustified and serve no one, although they may reduce CAISO's workload. CAISO should stick to the current definition of prohibited material modifications as opposed to creating prohibitions that can readily kill a viable project. Provided that modifications are not material, they should be allowed.

Finally, CalWEA objects to the Track 2 proposal because CAISO never provided any evaluation of, or discussed with stakeholders, developers' proposals, including CalWEA's, to study a reasonable volume of generation interconnection capacity in each of the study zones based on interconnection applications, rather than studying all the queued generation as done now. (CAISO simply noted

these proposals in its comment matrices.) These proposals would substantially reduce the resources required to study applications while producing reasonable interconnection requirement estimates, including cost and timelines, for each generation pocket. These estimates could then be assigned as a proxy to all projects in each gen pocket. Most, if not all, generation stakeholders supported this approach. This process would also provide critical information to LSEs so that they can make informed decisions about the projects they want to support.

2. Provide your organization's feedback on the proposed timeline for Track 3 of the IPE 2023 initiative, which focuses on the Transmission Plan Deliverability Allocation process:

Extending the timeline for addressing Track 3 issues is concerning because, depending on how location-constrained resources will be handled, the resolution of Track 3 issues could exacerbate CalWEA's concerns with the rest of the proposal. Resolving these issues later, rather than sooner, will reduce the time available to address the concerns.

3. The ISO is seeking stakeholder feedback on the effectiveness of its recently adopted working group process and its overall contributions to the IPE 2023 proposal development process. We would greatly appreciate your responses to the following survey by end of day April 18, 2024: <https://www.surveymonkey.com/r/YHWNWC2>

Please leave the below text box blank. All responses to the survey will be kept anonymous.