



California ISO


# 2023 Interconnection Process Enhancements Track 2 Working Group

June 20-21, 2023

## Housekeeping reminders

- This call is being recorded for informational and convenience purposes only. Any related transcriptions should not be reprinted without ISO's permission.
- These collaborative working groups are intended to stimulate open dialogue and engage different perspectives.
- Please keep comments professional and respectful.
- Please try and be brief and refrain from repeating what has already been said so that we can manage the time efficiently.

## Instructions for raising your hand to ask a question

- If you are connected to audio through your computer or used the “call me” option, select the raise hand icon  located on the top right above the chat window. **Note:** #2 only works if you dialed into the meeting.
  - Please remember to state your name and affiliation before making your comment.
- If you need technical assistance during the meeting, please send a chat to the event producer.
- You may also send your question via chat to either Kaitlin McGee or to all panelists.

# Agenda for June 20 (Day 1)

<b>Time</b>	<b>Topic</b>	<b>Presenter</b>
9:00am – 9:30am	Introduction and Meeting Objectives	Joanne Serina
9:30am – 10:30am	Principles	Danielle Mills
10:30am – 10:45am	15 minute break	
10:45am – 12:00am	Discuss Principles (continued)	Danielle Mills
12:00pm – 1:00pm	Lunch break	
1:00pm – 2:30pm	Problem Statements	Bob Emmert, Jason Foster
2:30pm – 2:45pm	15 minute break	
2:45 pm – 4:00pm	Discuss Problem Statement 1	Bob Emmert

# Agenda for June 21 (Day 2)

Time	Topic	Presenter
9:00am – 9:15am	Recap	Joanne Serina
9:15am – 10:30am	Discuss Problem Statement 2	Jason Foster
	15 minute break	
10:45am – 11:00am	Recap Principles and Problem Statements	Danielle Mills
11:00am – 12:00pm	Discuss Next Working Group Meeting	Danielle Mills

# CAISO Policy Initiative Stakeholder Process



We are here

- Working groups will inform the development of a straw proposal.
- The ISO will not request formal written comments between working group meetings, but we will accept written comments before drafting the Straw Proposal.
- The ISO will take notes and produce reports of each of our working group meetings.

# Working Group Structure - Roles

- **Facilitator** – the group will be managed by a designated ISO facilitator.
  - Responsible for guiding discussion, driving toward resolution of issues and toward deliverables.
- **Scribe** – the group has a designated scribe.
  - Responsible for capturing discussion and evolution or proposal(s), publishing meeting summaries, and working jointly with the facilitator.
- **Working Group Coordinator** – oversees overall working groups progression.
  - Responsible for overseeing working group engagement and ensuring consistency in organization or working groups.
- **Working Group Participants** – provide ideas, proposals, input and vetting.
  - Working groups are open to all stakeholders.
  - ISO staff will also be participants in working group.

# June 20-21 Work Group Objectives

- Identify areas of common agreement and understanding of the principles and problem statements.
- Refine the principles and problem statements to a point where they can be used to focus proposed solutions for future work group discussions.



# Initial ISO-Proposed Principles for Interconnection Reform

The Discussion Paper proposes the following principles for this initiative:

1. Prioritize interconnection in zones where transmission capacity exists or new transmission has been approved
2. Limit the amount of studies to reasonable capacity volumes that align with state resource planning
3. Align interconnection and transmission plan deliverability processes and LSE resource procurement functions
4. Enhance the post-study queue management procedures.

In addition, the reforms must

- Continue to ensure open access
- Be manageable and sustainable to the ISO and stakeholders

*We will discuss stakeholder comments and seek to finalize the principles.*

## Initial ISO Problem Identification

The ISO suggested bifurcating the challenges into two separate problem statements for more targeted solutions:

- Intake of new interconnection requests
- Management of outstanding interconnection requests

*We will discuss stakeholder comments and seek to finalize the problem statements.*

# Rationale – Interconnection Request Intake

Sheer volume of projects in queue is unmanageable

- Study results no longer provide the level of certainty required for development and procurement decisions
- Extended time frame required to process IRs and complete studies hinders the ability to meet state mandates
- People resources become a limitation and just adding people cannot fix the problem – even if people were available

# Rationale – Managing the Queue

- Volume of Modification requests (had over 85 Active in early 2023)
- Concerned with projects lingering in the queue
  - Contract/Interconnection Agreement Executions
  - CODs beyond 7 years in queue
  - Volume of Energy Only projects
- How to bring more efficiency and accuracy to the processes (Modifications, etc.)
- How to balance being laissez-faire and being over-the-top (Reasonableness and Enforceability)
  - Will we place a project under construction in breach or withdraw them?
  - Consider layered approach based on projects progress, status, many factors

Overall, there is not a one-answer-fits-all approach to managing the queue

- How do we define/create those firm factors (dark lines in policy) and balance the remaining?
- How do we consistently apply these firm and non-firm factors?

# Current ISO Queue Statistics

CAISO Capacity Values (6/17/23)	
CEC 1-in-2 peak demand forecast for 2023	46.8 GW
CAISO Record Peak Demand	52 GW
Total in queue with C15	541 GW
C14 Received	151 GW
C14 Currently	94 GW
Total Active in Queue (C14 & Prior)	187 GW 462 Active Queue Projects
C13 & Prior (without C14)	92.7 GW 257 Active Queue Projects

# Initial ISO-Proposed Problem Statement 1: Interconnection Request Intake

- The massive increase in interconnection requests seeking to meet the accelerated cadence of resource development now needed by the state on a sustained basis has overwhelmed critical planning and engineering resources across the industry. The current generator interconnection processes simply cannot efficiently accommodate all applicants, and must be substantially redesigned to meet state policy and reliability needs.

*We will discuss stakeholder comments and seek to finalize the problem statement.*

## Initial ISO-Proposed Problem Statement 2: Management of outstanding interconnection requests

- Following the study process, many projects in the interconnection queue do not proceed to commercial operations as expected. The current processes for managing the queue do not facilitate a timely development process, and a number of projects remain in the queue without indication of their near-term viability or intent to proceed to contracting or construction.

*We will discuss stakeholder comments and seek to finalize the problem statement.*

# NEXT STEPS



# IPE 2023 Track 2 Work Group Schedule

Date	Track 2 Milestone
06/20/2023 – 06/21/2023	Working group session 1
06/27/20223	Working group session 2
07/11/2023	Working group session 3

To implement process changes ahead of Cluster 15 phase I studies, the ISO seeks to present Track 2 to the Board of Governors in December 2023.

## Additional information

- Visit initiative webpage for more information:  
<https://stakeholdercenter.caiso.com/StakeholderInitiatives/Interconnection-process-enhancements-2023>
- If you have any questions, please contact  
[isostakeholderaffairs@caiso.com](mailto:isostakeholderaffairs@caiso.com)