



## Submit comment on Final Proposal

Initiative: Interconnection process enhancements 2023

### **1. Please state your organization's position and provide questions or comments on Intra-cluster Prioritization of Use of Existing SCD/RNU Headroom**

No comment.

### **2. Please state your organization's position and provide your organization's questions or comments on the Modifications to the TPD Allocation Process**

No comment.

### **3. Please state your organization's position and provide your organization's questions or comments on the Adjusted 2nd Interconnection Financial Security Posting for Cluster 14 Parked Projects**

No comment.

### **4. Please state your organization's position and provide your organization's questions or comments on the Process for Reserving TPD for Long Lead Time Generation and Storage Resources**

CalWEA generally supports the proposal to reserve TPD capacity for long lead-time (LLT) resources but is very concerned that CAISO is "no longer propos[ing] to provide eligible long lead-time resources with an option to take additional time to seek TPD to better align with commercial milestones and procurement." This important LLT TPD reservation policy is necessary to facilitate the achievement of LRAs' policy goals, but it must be accompanied by a policy allowing additional time for LLT interconnection customers (ICs) to seek and retain TPD capacity. Rather than leaving the issue open to be "resolved prior to the cluster 16 interconnection request application window," as stated on p.54, CalWEA strongly urges CAISO to at least clearly state its general intention to provide IC customers with an option to take additional time to seek and retain TPD capacity, with details to be addressed before opening the cluster 16 interconnection request application window.

Without a policy element that allows LLT Interconnection Customers to take additional time to seek TPD, the proposal would be severely weakened because such customers will not be able to retain the reserved TPD capacity. This policy is necessary because the development lead-times of LLT resources are substantially longer than those of solar and battery resources. As CalWEA stated in related comments before the CPUC in its IRP-TPP proceeding, onshore wind energy has a much

longer development timeline than solar (recent projects have required more than a decade to develop) and face greater geographic constraints.<sup>1</sup>

As evidenced by the latest major policy upgrade that CAISO approved in the 2022-23 TPP process, the “South Area Reinforcement Projects,” in which 4,700 MW of TPD capacity was fully allocated almost entirely to solar and batteries, we can expect the same to occur without enabling both TPD capacity reservation and providing additional time for ICs to seek TPD.

Lastly, CalWEA responds to a stakeholder comment that, under the LLT capacity reservation policy, LLT resources could obtain market power by holding limited FCDS capacity at a particular busbar. CalWEA disagrees with the concern. LSEs are not generally required to purchase specific LLT resources, let alone in particular locations. Even under a policy that might require procurement of LLT resources, those resources will generally be available at many busbar locations. Where resource locations are highly constrained, such as with offshore wind, the CPUC discussed these concerns and expects them to be addressed in the central procurement process.<sup>2</sup>

**5. Please state your organization’s position and provide any additional feedback on the broader track 3 initiative, including requests for the scope of the next IPE initiative**

Given the number of projects discarded by CAISO in QC15 mainly due to the lack of clear rules and transparency, CAISO should prioritize valuing projects that were part of the QC15 application process in 2023 and 2024 for QC16. Providing a clear and fair path forward for these projects would enhance transparency and encourage developers to continue investing in their development efforts on these projects with confidence.

To provide greater transparency on the TPD allocation process, CAISO should develop protocols for future clusters for LSEs to publicly report on how commercial interest points were allocated to specific projects.

CalWEA also reiterates the importance of finalizing, before opening the window for QC16, the LLT TPD capacity reservation policy provision that will enable eligible LLT ICs to take additional time to seek and retain TPD capacity.

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<sup>1</sup> See CPUC R.20-05-003, CalWEA’s Comments on Busbar Mapping of Electricity Resource Portfolios for 2025-2026 Transmission Planning Process (November 18, 2024). The map on p.5 shows that extremely limited wind resource areas with commercial-grade winds remain after the agencies’ environmental screening.

<sup>2</sup> See CPUC D.24-08-064 (August 22, 2024).