



Submit comment on Draft final proposal

Initiative: Interconnection process enhancements 2021

1. Please provide a summary of your organization's comments on the Interconnection Process Enhancements (IPE) – Phase 2 draft final proposal: *

CESA appreciates the ISO's continued efforts to enhance the interconnection process in Phase 2. The collective proposals of the 2021 Interconnection Process Enhancements (IPE) will go a long way to managing overheated and large interconnection queues, better aligning cost allocation and various procurement and planning processes, and efficiently bring on the new capacity resources needed to support the state's decarbonization goals and reliability needs.

In reviewing the Phase 2 Draft Final Proposal, CESA believes that many of the proposals are moving in the right direction to support the goals and objectives of the IPE Initiative. Most significantly, however, the ISO made major revisions to its proposals to align with the proposed rules published in the Federal Energy Regulatory Commission's (FERC) Notice of Proposed Rulemaking (NOPR), RM22-14, to address significant current backlogs in the interconnection queues by improving interconnection procedures, providing greater certainty and transparency, preventing undue discrimination against new generation, and ensuring efficient and timely access to the grid. In particular, the ISO's revisions made in alignment with the NOPR are focused on those related to the higher fees, deposits, and other criteria. Specifically, the ISO's proposal mirrored that of the NOPR in setting a tiered study deposit structure based on the MW size of the project and whether the project meets commercial readiness criteria at different stages of the interconnection process, along with withdrawal penalties based on the study or site exclusivity deposits provided. To this end, the ISO sought stakeholder feedback on whether it should wait for the FERC process to be completed, or if the ISO should move forward with its own revised proposal that incorporates a number of FERC's proposals.

To this key question, CESA recommends that the ISO pull back the current proposal and instead make incremental changes to align higher fees, deposits, and other criteria with that of the NOPR. Specifically, as discussed in our response to Question 5 below, the ISO should adopt the proposed \$/MW study deposit structure, without the inclusion of a commercial readiness deposit to enter Phase II study process that is a higher multiplier of the study deposit and more punitive withdrawal penalties for projects that elect to use a commercial readiness deposit. This more incremental proposal recommendation is driven by the fact that CESA (and likely the ISO as well) is unsure of the cumulative and combined impacts of the adopted Phase 1 proposals along with the proposed Phase 2 changes to increase study deposits and fees, increase site exclusivity deposits, modify the transmission plan deliverability (TPD) allocation groups and prioritization, enforce the generator interconnection agreement (GIA) termination period, and increase data transparency across different categories of information. Short of the ISO definitively affirming that the Phase 2 Draft Final Proposals can ensure that a "supercluster" in Queue Cluster (QC) 15 will not be repeated such that QC 16 does not begin in April 2025, CESA believes that the current proposal for higher study deposits and commercial readiness requirements and deposits (*i.e.*, Section 4.1 proposals) will be excessive, deter market participants, and increase the costs of doing business, which will only be passed along into resource

solicitations and resulting executed contracts. Again, as previously underscored, the goal of the IPE should not be to minimize the interconnection queue and reduce market competitiveness (*i.e.*, a large queue is not a bad or undesired outcome in itself) but rather to manage the queue efficiently and screen out for truly speculative projects to better utilize limited ISO and utility time and resources. Even if the ISO can estimate that the Section 4.1 proposals would return the QC 15 to a “normal” cluster process and timeline, CESA maintains concerns about the excessiveness in raising the barriers to entry and has questions about whether the same goal could be achieved with the collection of other proposals adopted and considered in the IPE, combined with more incremental changes for the Section 4.1 proposals. At this time, there are too many questions about the cumulative impacts of the proposals, which have yet to take effect.

In previous comments to the Phase 2 Revised Straw Proposal, CESA supported alignment with the intent of the NOPR in a new initiative to tackle more comprehensive reforms to the interconnection process, but the current Phase 2 Draft Final Proposal only incorporates one element of the NOPR without other critical elements, namely the proposed rules intended to improve interconnection queue processing speed. Specifically, the NOPR proposes to impose firm deadlines and establish penalties if transmission providers fail to complete interconnection studies on time, except in instances where force majeure is applicable. In addition, the NOPR proposes to incorporate technological advancements into the interconnection process, such as using the operating assumptions for interconnection studies that reflect the proposed operation of an electric storage resource or co-located resource containing an electric storage resource, with certain exceptions. Altogether, the NOPR tackles interconnection reforms more comprehensively to address the “other side” of the issue, which is ensuring accountability on transmission providers’ timelines, but the current Phase 2 Draft Final Proposal places the burden and costs on interconnection customers (ICs) alone. Even then, the NOPR is still in draft form and has yet to receive comments. Stakeholders may very well propose completely different approaches, find certain elements problematic, and/or express how the proposed rules do not sufficiently address the issues. While appreciative of the ISO’s intent in developing a proposal that aligns more with the NOPR, CESA believes that there is too much uncertainty at this stage with the NOPR to transpose specific proposals into the IPE.

With the ISO aiming to finalize proposals and submit them to the Board of Governors by October 26, 2022, CESA is deeply concerned with the insufficient stakeholder process to review, shape, and refine the final proposals. Currently, the major shift and change in the Section 4.1 proposals have been surprising to our members, who struggle to measure and assess the impact to their pipeline of projects and their project development strategies. In some of their early calculations, the amount of at-risk capital would be disproportionately significant, regardless of the quality of the project. Considering that the ISO plans to move immediately to Final Proposal and draft tariff language by September 13, 2022 according to the ISO’s schedule, CESA believes that this type of significant change should not occur in the late stages of the stakeholder processes, where these comments represent the only opportunity to actually shape the proposals. The final stage is really about translating the stakeholder initiative’s proposals into tariff language, not an opportunity to shape the policy. Too many questions remain on the current Section 4.1 proposals at this stage of the process.

As such, CESA recommends that the Section 4.1 proposals be narrowed to incremental changes at this stage of the process, limited to the NOPR’s \$/MW study deposit that could be incorporated in the Phase 2 Final Proposal. If some of the other Section 4.1 proposals inspired by the NOPR are desired, CESA believes that a follow-on Phase 3 of the IPE could be launched to allow for more deliberation on the merits and specifics of these proposals. With QC 15 not launching until April 2023, there may be enough time to focus on a narrow set of issues that could add onto the Phase 1 and 2 IPE proposals. Overall, CESA’s comments on the Phase 2 Draft Final Proposal can be summarized as follows:

- CESA supports the ISO's proposed categories of project information to be made public to stakeholders but recommends that the other data categories, which were deemed to be too commercially sensitive at the individual project level, to be made available in aggregate form.
- The ISO should develop and publish heat maps showing available transmission capacity on a granular level to further advance data transparency, with further consideration of this proposal in either Phase 3 of the IPE or the Transmission Planning Process (TPP) Enhancements Initiative.
- Though CESA continues to believe that the ISO should not define minimum term lengths for qualifying power purchase agreements (PPAs), if the ISO is intent on doing so, CESA urges that the ISO return to the 3-year minimum contract term requirement to apply for Allocation Groups A and B and retain deliverability for Allocation Groups B and D – a reasonable balance of the ISO's concerns.
- CESA generally believes that the ISO's proposal for non-load-serving-entity (LSE) PPAs to receive a TPD allocation is reasonable in providing optionality for the demonstration requirement and in setting a one-year contract term requirement, but we request clarification on whether the qualifying PPA with the non-LSE procurement entities must be for the RA attributes.
- CESA supports the approval of higher study deposits based on MW size and tiers as a reasonable incremental change that is reasonably balanced for managing the overheated queue while not excessively deterring market participation:
 - \$70,000 plus \$2,000/MW (maximum \$230,000) for projects less than 80 MW
 - \$300,000 for projects 80 MW to less than 200 MW
 - \$500,000 for projects 200 MW or greater
- The ISO should remove the commercial readiness demonstration or deposit requirement as well as the proposal for withdrawal penalties.
- CESA supports the ISO's reasonable proposal to exercise and enforce the ISO's existing authorities and procedures (GIA Section 17.1.1, Generator Management BPM) in order to manage the interconnection queue and ensure projects are demonstrating development progress.
- The stakeholder-raised proposal to have transmission owners begin planning for upgrades once ICs give their notice to proceed (NTP) and give timelines for progress and completion should be taken up in the new TPP Enhancements Initiative.
- CESA requests that the ISO revisit and explore the merits of collapsing Group B and C projects in the same group, thus valuing shortlisted PPA projects on the same level as projects that have achieved commercial operations.

2. Provide your organization's comments on section 3.1 Transparency enhancements: *

The ISO proposed to make the following project information public to stakeholders, likely through RIMS, similar to the existing Queue Report: PTO study area and sub-area by cluster; TPD allocation group and percentage allocation (or MW amount allocated) for the project; resource ID(s); status of suspension and parking (yes/no); and phase data (generation/fuel type, MW, hybrid or co-located designation, synchronization date, and commissioning or COD date). CESA supports the ISO's proposal in this regard, as it will advance greater transparency that could help ease the overheated queue by helping any given IC understand their prospects to succeed in the interconnection queue at their location and by reducing the prospects of "speculative" interconnection requests.

However, the ISO declined to make certain categories of project-specific data transparent and publicly available, including site exclusivity documentation and status, project milestones, construction status,

and Affected System status. Whether due to ISO-specific concerns or opposition from stakeholders regarding the confidential and market-sensitive nature of this information, CESA believes that there may be alternative means to make this information available, which would support smart and rational decision-making by ICs in entering, proceeding through, or withdrawing from the queue, thereby addressing the ISO's intent of better managing the overheated interconnection queue. If too commercially sensitive to provide information at an individual level, CESA recommends that the ISO provide these data categories in an aggregate form, perhaps by transmission planning or local areas. Already, in the previous Phase 1 Revised Straw Proposal, the ISO provided helpful site exclusivity information for the ISO system as a whole in making the case for site exclusivity as a pre-requisite to enter Phase II studies. If such information could be provided in aggregate form but at a more granular planning area level, it could be an important source of data transparency while protecting project-specific commercially-sensitive information.

Finally, CESA reiterates our call to make data more transparent in a user-friendly and accessible format. Specifically, CESA requests that the ISO develop and publish heat maps showing available transmission capacity, similar to what is currently done by the Alberta Electric System Operator (AESO) and what is done in the Wholesale Distribution Access Tariff (WDAT) sphere for latent deliverability. The ISO has consistently pushed back against such recommendations, citing how such information is already publicly available and how it is not a good use of their time and resources. However, to these points, CESA notes that the current transmission capability estimates do not capture locational granularity or projects already in the queue. Other pieces of basic but useful information, including around specific points of interconnection, have been difficult to identify and confirm, often requiring data requests to the ISO that is both inefficient and burdensome. Accessibility should be one of the goals in these data transparency efforts, where having developers track down and reconcile different pieces of information located in different places poses a significant administrative burden and leads to potential error in analyzing the collection of information. Whether in Phase 3 of the IPE or as part of the recently-launched TPP Enhancements Initiative, this proposal and concept should be further explored.

3. Provide your organization's comments on section 3.2 criteria for minimum term for PPAs to be eligible for a Transmission Plan Deliverability (TPD) allocation: *

In light of the NOPR, the ISO maintained its proposal that, beginning with the 2023-2024 TPD allocation cycle, any tariff deliverability requirement for a PPA will require a term of 5 or more years to be able to apply Allocation Groups A and B, including the retention requirements for Group B, and the retention requirements for Group D. At the same time, projects that received an allocation prior to the 2023-2024 TPD allocation cycle will not be subject to the new minimum term requirements at this time. Overall, this proposal would exceed what the ISO agreed to in Phase 1, where a qualifying minimum contract term was set at 3 years.

Without extensively repeating what CESA commented in response to the Phase 2 Revised Straw Proposal, CESA reiterates our principled position that the ISO should not define minimum term lengths for qualifying PPAs, but if the ISO is intent on doing so, CESA urges that the ISO return to the 3-year minimum contract term requirement to apply for Allocation Groups A and B and retain deliverability for Allocation Groups B and D. If the goal is to support Resource Adequacy (RA) obligations through the structure of TPD allocation priority groups, the qualifying minimum contract term requirement should roughly align with the CPUC's RA forward contracting requirements (*i.e.*, based on a minimum contract length of one year for System RA and three years for Local RA). At the very least, a 3-year minimum contract term would align with the ISO's past position in the Phase 1 Final Proposal and balance the need for prioritizing projects with sufficiently long off-take agreements in the interest of preserving limited ratepayer-funded transmission capacity for projects that address procurement needs over a

reasonable period of time, rather than on an extremely short-term basis. Although the NOPR proposes a 5-year minimum term as part of the commercial readiness demonstration, FERC has yet to even receive comments, making the proposal potentially subject to change. As such, CESA recommends that the ISO modify this proposal to set a 3-year minimum contract term length.

Throughout the IPE Initiative, the ISO has also discussed how it does not see new-build resources being financed under short-term contracts and has not really seen merchant generation and storage entering the ISO's market. Overall, CESA believes that there are reasonable cases where short-term contracts are rational risk mitigation measures in the face of regulatory uncertainty about RA resource counting rules, for example, which would deter signing a long-term contract until these rules become more certain, even as an LSE may find significant value and has the intent to sign a long-term contract. The regulatory environment continues to be in flux with the workstreams underway at the California Public Utilities Commission (CPUC) regarding slice-of-day reforms. Additionally, pathways for merchant projects should not be dismissed or foreclosed on because the ISO has not seen many of these projects in the queue or in operation today. At the end of the day, several companies view this as a viable development strategy to quickly and efficiently come to market, and merchant projects will ultimately need to sign a long-term RA contract to monetize the secured deliverability.

4. Provide your organization's comments on section 3.2 eligibility criteria for non-LSE PPAs to receive a Transmission Plan Deliverability (TPD) allocation: *

For non-LSE procurement entities, the ISO proposed qualifying allocation and retention requirements for Groups A, B, and D, respectively, to demonstrate an underlying contract with an LSE with an RA obligation to sell the RA capacity on an at least 1-year term, or to submit a deposit in lieu of contract. CESA generally views no need to set the minimum contract term between LSE with RA obligation and non-LSE procurement entity since there is every incentive to "monetize" the value of the deliverable capacity and ensure that these projects show up on LSEs' RA supply plans. Notwithstanding this broader point, CESA generally believes that the ISO's proposal is reasonable in providing optionality for this demonstration requirement and setting a one-year contract term requirement.

However, CESA requests clarification on whether the qualifying PPA with the non-LSE procurement entities must be for the RA attributes, even as they meet the minimum term requirements (*i.e.*, 5 years if the ISO's current proposal is adopted, or 3 years if CESA's recommended proposal is adopted). In certain instances, the PPA with the non-LSE procurement entity may be for all of the non-RA attributes (*e.g.*, RECs) while the RA attributes with deliverability are available for LSEs as part of the proposed contracting requirement to entities with an RA obligation. In this case, CESA does not see issue with the intent of the ISO's proposal, which is to ensure that the TPD allocation criteria prioritize allocating deliverability to projects that will show up on LSE supply plans.

5. Provide your organization's comments on section 4.1: Should higher fees, deposits, or other criteria be required for submitting an IR? *

The ISO proposes a series of changes in line with the NOPR that would, among other things, allocate study costs on requested MW and number of interconnection requests (IRs) received in a given cluster, set higher \$/MW and combine study deposits and tiers for Phases I and II, establish a regime of commercial readiness demonstrations and in-lieu deposits, and set withdrawal penalties depending on whether commercial readiness and/or site exclusivity requirements are met or in-lieu deposit for each is provided. Overall, CESA believes that the full collection of Section 4.1 proposals is premature since the NOPR is still in draft form and have not yet received comments. The ISO's proposal is also punitive in putting excessive capital at risk, especially as very few or no projects would be able to meet

the commercial readiness requirements, with the possible exception of offshore wind projects that are long lead time and may require contracting ahead of completing the full interconnection study process. As expressed earlier, CESA supports the idea of making sure that speculative projects are cleared out quickly, but we remain concerned that the current proposal as-is would only raise the cost of doing business. As such, CESA recommends that the ISO adopt a narrow set of these proposals.

First, regarding the combined study deposits for Phase I/II, CESA supports the adoption of a combined study deposit as proposed in the Phase 2 Draft Final Proposal:

- \$70,000 plus \$2,000/MW (maximum \$230,000) for projects less than 80 MW
- \$300,000 for projects 80 MW to less than 200 MW
- \$500,000 for projects 200 MW or greater

This proposal is reasonable and aligns with the thresholds set in the NOPR, though the base and MW multiplier rate is double that proposed by FERC. This proposal is also grounded in support from multiple stakeholders, including CESA, who suggested that a \$/MW structure would represent a means to reduce the queue, reasonably and incrementally increase the bar to entry, and support greater resourcing and infrastructure to handle the volume of interconnection applications. Notwithstanding the ISO previously expressing that the study time and costs do not scale with the MW of projects (*i.e.*, 20 MW project equals 100 MW project in terms of study time and costs), this proposal is superior to the ISO's proposal to impose escalating fees and deposits based on multiple interconnection applications by a single developer, which may only penalize high-quality, viable projects simply as a result of being from the same developer, who may be submitting multiple interconnection applications as a result of understanding the transmission system and market/procurement landscape, not because of a scattershot approach. This proposal would also, on the most part, raise the bar to market entry from the current MW-agnostic \$150,000 deposit, thereby facilitating the ISO's goal of reducing the interconnection queue volume and incentivizing developers to more strategically focus on a narrower set of potential projects since very few companies have the ability to provide upfront the significant amount of capital to submit a large multitude of IRs.

Second, regarding the commercial readiness requirements, CESA opposes this proposal and recommends that they be removed from the Phase 2 Draft Final Proposal. While FERC proposed such a structure in the NOPR, it still has not received feedback in the form of comments. These requirements also represent an impossible standard in California since LSEs are unlikely or would never execute a binding term sheet, let alone one of at least five years, for a project without Phase I study results or within 30 days following the Phase I study results meeting. Recognizing that Phase I study results are still indicative and not final, it is still the minimum necessary to begin marketing the project to LSEs in their resource solicitations, though most projects are most competitive in solicitations upon completion of Phase II studies. Further, LSEs are unlikely to execute PPAs or other contracts with commercial online dates five years out into the future. In this regard, this aspect of the NOPR is more apt for vertically-integrated utilities centrally manage their planning processes and new resource procurement, not for a California where such processes are decentralized and mostly just coordinated and validated at the state level at the California Public Utilities Commission (CPUC). With the exception of certain special-interest resources such as offshore wind, almost all other IRs would therefore not be able to meet the commercial readiness requirements and would face the high multipliers for withdrawal penalties.

CESA also finds the commercial readiness requirement to be problematic because it provides no way for projects to meet this requirement through a merchant development strategy, making such a path potentially prohibitively expensive even though it represents a reasonable and possible means to bring online capacity quickly. While operating as a merchant facility initially, they are strongly incentivized

to market their resource to LSEs in solicitations to monetize key revenue streams, namely RA. Without this path and given the significant multipliers for projects that do not meet the commercial readiness requirement, the ISO would be forcing all projects to work with LSEs first. Based on the state's recent history of sudden and short lead-time procurement and more volatile and higher weather and load forecasts, merchant generation and storage facilities can play a key role in preparedness for needs that emerge beyond the foresight of any LSE in their normal planning and procurement processes.

Third, regarding withdrawal penalties, CESA is also opposed to the adoption of withdrawal penalties, which are unnecessary given the withdrawal penalties already in place associated with the initial financial security (IFS) posted after Phase I and Phase II studies. These existing withdrawal penalties in place already ensure that ICs have "skin in the game" and incentivize ICs to remain in the queue, particularly after Phase I studies. Consistent with our position on the commercial readiness requirements and in-lieu deposits, CESA believes that withdrawal penalties at stages before and immediately after Phase I studies pose unreasonable at-risk security amounts even though Phase I studies and results are indicative, yet for those who are ready to move forward based on the indicative information on the Phase I results, they already have incentives to continue through the queue process upon making an IFS posting.

By contrast, the structure for commercial readiness requirements, if maintained, would represent excessively high amounts of capital at risk that would deter market participation. The largest projects, greater than 200 MW, could have over \$2 million held in deposit and at risk, assuming cases where a project does not have site exclusivity or commercial readiness demonstration. While developers assume a certain amount of lost money in the study process, these amounts are likely excessive and will drastically impact and reduce market participation, while potentially increasing overall ratepayer costs as some of these development risks and costs are passed on. While CESA strongly opposes the commercial readiness requirements, if the ISO is intent on doing so, CESA believes that the commercial readiness requirements and in-lieu deposits must only be applicable later in the interconnection process. For example, this could occur in the Phase II study process, or upon execution of GIAs. Yet even then, the proposal would be incomplete because it does not incorporate timelines and penalties for transmission providers to adhere to timelines, as proposed in the NOPR. Delays could occur as part of the transmission providers' interconnection or upgrade construction process and timelines, with ICs not at fault for these delays, resulting in ICs facing significant amounts of their deposits at-risk.

Finally, CESA requests that the ISO clarify whether the study deposits must be provided in cash or could be provided via other means, such as letter of credit collateral. Given the high deposit requirements, a cash-only option would have significant impact on company's cash flows.

6. Provide your organization's comments on section 5.1 Should the ISO re-consider an alternative cost allocation treatment for network upgrades to local (below 200 KV) systems where the associated generation benefits more than, or other than, the customers within the service area of the Participating TO owning the facilities? *

CESA has no comments at this time.

7. Provide your organization's comments on section 5.2 Policy for ISO as an Affected System – how is the base case determined and how are the required upgrades paid for? *

CESA has no comments at this time.

8. Provide your organization's comments on section 5.3 While the tariff currently allows a project to achieve its COD within seven (7) years if a project cannot prove that it is actually moving forward to permitting and construction, should the ISO have the ability to terminate the GIA earlier than the seven year period? *

CESA supports the ISO's proposal to allow the ISO to invoke the GIA default clause (Section 17.1.1) if the IC does not submit status reports and leverage Section 6.5.2.1 of the Generator Management Business Practice Manual (BPM) for terminating Energy Only (EO) projects unless the project is making progress to COD or would mitigate their impacts to short-circuit duty. As previously expressed, CESA believes that this is a reasonable proposal to exercise and enforce the ISO's existing authorities and procedures in order to manage the interconnection queue. CESA also appreciates the ISO's clarifications that, among other things, would assess on a case-by-case basis on whether projects are meeting their milestones. Such nuanced approaches will guard against unintended outcomes and still achieve the overarching intent of the ISO's proposal to enforce and ensure projects are demonstrating development progress.

9. Please provide additional comments on the IPE – Phase 2 Draft Final Proposal not mentioned above: *

In the Draft Final Proposal, the ISO removed the stakeholder-raised proposal to have transmission owners begin planning for upgrades once ICs give their NTP and give timelines for progress and completion. In past stakeholder calls, the ISO mentioned how such proposals are unnecessary with the quarterly Transmission Development Forum (TDF) in place. However, CESA has found the TDF to be ill-suited for this purpose since discussion of project-specific questions were identified as inappropriate for the TDF. Instead of deferring this issue to the TDF or addressing them in the IPE, CESA recommends that this issue be taken up in the new TPP Enhancements Initiative. Having such a proposal in place will inform procurement and project development activities, as well as ensure accountability on the construction of network upgrades.

In addition to the aforementioned stakeholder-raised proposal, CESA also requests that the ISO potentially revisit one of the IPE Phase 1 proposals in structuring the TPD allocation groups. Specifically, CESA wishes to explore with the ISO the merits of collapsing Group B and C projects in the same group, thus valuing shortlisted PPA projects on the same level as projects that have achieved commercial operations. Even though the ISO has concerns and doubts about merchant generation and storage projects, CESA continues to believe that the ISO should not create disincentives for projects to even attempt to move forward without a PPA and come online efficiently and quickly, especially in light of the reliability concerns and risks expressed by the state's agencies for the 2024-2026 period. Contrary to the ISO's statements on this matter, projects following this development path have played a role in supporting near-term reliability needs, such as in response to the Aliso Canyon emergency or for 2021-2023 system reliability needs. In other instances, a large project with a PPA and deliverability may seek to expand its capacity, which could come online quickly since construction of the expansion phase may occur on a quicker timeline than the procurement and contracting process.

Ultimately, having a PPA as the ultimate sign of commercial readiness is narrow; there is no better way of showing viability, commitment, and commercial readiness than a project that has come online. When comparing a shortlisted project versus a project that is online, it does not seem logical for the former to be favored over the latter when the latter could immediately support the LSEs' near-term needs. By leveling the priority for Group B and C projects, the ISO may also see more projects come

online, signaling to developers the higher probability of securing deliverability and eventually securing an off-take contract.

CESA understands that raising this issue at this time may frustrate the ISO staff and its stakeholder process, considering the Phase 1 proposals have been adopted by the ISO Board and submitted to FERC as tariff amendments, with a FERC Order coming by September 1, 2022. Generally, CESA does not wish to “relitigate” issues and aims to be a good-faith stakeholder through the ISO’s process; to this end, we acknowledge that this perspective and proposal should have been shared in Phase 1. However, with the ISO and CPUC crunched for additional capacity resources to address near- and mid-term reliability challenges and mitigate risks associated with supply chain delays and extreme weather events, CESA seeks to narrowly revisit the proposal around TPD allocation groups. Moreover, CESA has learned more about the appetite and feasibility of this development strategy and path from members over the past several months. As such, if possible, CESA requests that the ISO potentially address this issue in a Phase 3 of this initiative.