**GSCE comments on Section 6.2.9 of the GIDAP BPM (excerpted from the remainder of the proposed changes in PRR 1464 for clarity). Our additions are in blue text and highlighted, and include the following comments:**

* **In the first paragraph of Section 6.2.9 and in a new paragraph of Section 6.2.9.2, we propose a short addition to clarify that a project that reaches its COD does not need to satisfy the retention criteria to retain TPD. We explain this addition in a comment to Section 6.2.9.**
* **In Section 6.2.9.1, we suggest one additional TPD allocation point group and left one comment in support of a proposed change.**

### 6.2.9 Allocation Process for TP Deliverability[[1]](#footnote-2)

After the Phase II Interconnection Study reports are issued, the CAISO will perform the allocation of the TP Deliverability to eligible Generating Facilities according to, and in the order of, the allocation groups in GIDAP Section 8.9.2 and GIDAP BPM Section 6.2.9.4. The allocation process is described in detail in GIDAP BPM Sections 6.2.9.3 – First Component of the Allocation Process: Representing TP Deliverability Used by Prior Commitments, and 6.2.9.4 – Second Component of the Allocation Process: Allocating TP Deliverability. The TP Deliverability available for allocation will be determined from the most recent Transmission Plan. Once a Generating Facility is allocated TP Deliverability, the facility will be required to comply with retention criteria specific in GIDAP Section 8.9.3 and GIDAP BPM Section 6.2.9.5 in order to retain the allocation. **However, a Generating Facility is not required to comply with the retention criteria once it has reached Commercial Operation. When a Generating Facility reaches Commercial Operation, the allocation of TP Deliverability will be reflected in the On-Peak facility’s Deliverability Status as an attribute of the facility that is no longer subject to the retention criteria.**

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* + - 1. **Second Component of the Allocation Process: Allocating TP Deliverability[[2]](#footnote-4)**

##### .**Scoring methodology to establish project priority rankings for allocating TP Deliverability**

If not all projects in an allocation group that meet the threshold criteria can be fully accommodated, the CAISO will allocate available TP Deliverability based on the numerical scores determined from each affected project’s affidavit. The project receiving the highest score within the allocation group will receive a TP Deliverability allocation, based on availability, up to their full request. Then the project with the next highest score will receive a TP Deliverability allocation, based on availability, up to their full request, and so on.

All affidavits must relate to the same proposed Generating Facility as described in the Interconnection Request and, for each allocation group attested to, must specify the MW quantity of Interconnection Service Capacity that meets the criteria for inclusion in the allocation group. At a minimum, the Generating Facility must meet criteria established in one of the four allocation groups defined in GIDAP Section 8.9.2.

1. **The Project’s Power Purchase Agreement Status** (applicable to Allocation Group A Only)

Interconnection Customer must provide proof of having an executed power purchase agreement. Power purchase agreements must have the point of interconnection, capacity, fuel type, technology, and site location in common with the Interconnection Customer and GIA. The power purchase agreement must match the project in site, POI, legal entity, and MW amount.

1. (5 points) The Interconnection Customer represents to the CAISO that it has a regulator-approved power purchase agreement.
2. (3 points) The Interconnection Customer is a Load-Serving Entity constructing its project to serve end users in its own service area pursuant to a regulatory requirement.
3. (0 points – Minimum Requirement for Group A) The Interconnection Customer represents to the CAISO that it has an executed power purchase agreement.
4. **The Project’s Shortlist Status** (applicable to Allocation Group B Only)

Interconnection Customer must provide proof/documentation of the project being selected/shortlisted or proof that the project is in active power purchase agreement negotiations, and details of such request for offer /request for proposal or solicitation.

1. (3 points) The Interconnection Customer is actively negotiating a power purchase agreement
2. (0 Points) The Interconnection Customer is on an active short list or other commercially recognized method of preferential ranking of power providers by a prospective purchaser Load Serving Entity or procuring entity
3. **The Project’s Permitting Status (All allocation Groups A – D)**
4. (10 points) The Interconnection Customer has received its final governmental permit or authorization allowing the Generating Facility to commence construction.
5. (5 points) The Interconnection Customer has received a draft environmental report (or equivalent environmental permitting document) indicating likely approval of the requested permit and/or which indicates that the permitting authority has not found an environmental impact which would likely prevent the approval. For purposes of this requirement, a draft environmental report can take the form of a draft environmental impact report, draft environmental impact statement, environmental assessment, mitigated negative declaration, or CEC preliminary staff assessment. Findings that would qualify as those which would indicate likely approval include no environmental impacts found that cannot be mitigated to insignificance, or in the case of a National Environmental Policy Act document, the project has been identified as the preferred alternative. If Federal or State Endangered Species Act permits are required, draft environmental reports for such permits have been received and similarly either indicate likely approval or do not find an impact that would likely prevent approval.
6. (3 points) The Interconnection Customer has applied for the necessary governmental permits or authorizations and the authority has deemed such documentation as data adequate for the authority to initiate its review process.
7. (1 point) The Interconnection Customer has applied for the necessary governmental permit or authorization for the construction.
8. **The Project’s Land Acquisition Status (All allocation Groups A – D)**
9. (7 points) The Interconnection Customer can demonstrate a present legal right to begin construction of the Generating Facility on one hundred percent (100%) of the real property footprint necessary for the entire Generating facility.
10. (3 points) The Interconnection Customer can demonstrate Site Exclusivity. This criterion will only be available to Interconnection Customers in Queue Cluster 14 and earlier clusters.
11. (0 points) The Interconnection Customer is in Queue Cluster 15 or later and can demonstrate Site Exclusivity
12. **Commercial readiness considerations (All allocation Groups A – D)** 
    1. **(5 points) The Interconnection Customer can demonstrate it made a financial commitment to major equipment or interconnection facilities.**
    2. **(5 points) The Interconnection Customer can demonstrate it has made its third Interconnection Financial Security posting (meaning the entire financial security is at risk of forfeiture if the Interconnection Customer withdraws) and has issued a notice to proceed to construction.**
       * 1. **Criteria for Retaining TP Deliverability Allocation[[3]](#footnote-5)**

Interconnection Customers that received a TP Deliverability allocation must provide documentation demonstrating they meet the following retention requirements by the annual due date established via market notice pursuant to GIDAP Section 8.9.[[4]](#footnote-6)

1. Interconnection Customers that received a TP Deliverability allocation on the basis of negotiating or being shortlisted for a power purchase agreement must provide documentation of an executed agreement.
2. Interconnection Customers that received a TP Deliverability allocation from Group D must demonstrate that they executed a power purchase agreement, are actively negotiating a power purchase agreement, or are on an active short list to receive a power purchase agreement. Interconnection Customers that retain TP Deliverability by demonstrating they are actively negotiating or shortlisted for a power purchase agreement must demonstrate that they executed the power purchase agreement in the following year.

**However, once a Generating Facility reaches Commercial Operation, the allocation of TP Deliverability will be reflected in the On-Peak facility’s Deliverability Status as an attribute of the facility that is no longer subject to the retention criteria.**

Failure to meet the retention requirements (following any parking opportunities) by the annual due date established via market notice will result in conversion of the project’s deliverability status to Energy Only. To the extent TP Deliverability has been allocated, lost, or relinquished for only a portion of the Interconnection Customer’s project, GIDAP Section 8.9.3 will apply to that portion of the project only. An Interconnection Customer’s failure to retain its TP Deliverability allocation will not be considered a Breach of its GIA. Except as provided in GIDAP Section 8.9.3.2, projects that become Energy Only for failure to retain their TP Deliverability allocation may not reduce their Maximum Cost Responsibility, Current Cost Responsibility, or Interconnection Financial Security for any assigned Delivery Network Upgrades unless the CAISO and Participating TO(s) determine that the Interconnection Customer’s assigned Delivery Network Upgrade(s) is no longer needed for current Interconnection Customers.

Generating Facilities that were allocated TP Deliverability prior to November 27, 2018 are no longer required to participate in the annual TP deliverability retention process, including submission of retention affidavits and related documentation.

Interconnecting Customers that received a TP Deliverability allocation after November 27, 2018 on the basis of negotiating or being shortlisted for a power purchase agreement must provide documentation demonstrating they meet the following requirements by the annual due date established via market notice pursuant to GIDAP Section 8.9 and GIDAP BPM 6.2.9.1. Upon an Interconnection Customer’s submittal and validation by the CAISO of an executed power purchase agreement, no further retention requirements are applicable.

1. Interconnection Customers that received TP Deliverability on the basis of negotiating or being shortlisted for a power purchase agreement must execute the power purchase agreement
2. Interconnection Customers that received TP Deliverability from group D, must demonstrate that they executed a power purchase agreement, are actively negotiating a power purchase agreement, or on an active short list to receive a power purchase agreement. Interconnection Customers that retain TP Deliverability by demonstrating they are actively negotiating or shortlisted for a power purchase agreement must demonstrate they executed the power purchase agreement in the following year.

1. GIDAP Section 8.9. [↑](#footnote-ref-2)
2. GIDAP Section 8.9.2 – Second Component: Allocating TP Deliverability. [↑](#footnote-ref-4)
3. GIDAP Section 8.9.3. [↑](#footnote-ref-5)
4. Unlike before, satisfying retention criteria does not require an affidavit. [↑](#footnote-ref-6)