

**Rio Mesa Solar Electric Generating Facility (RMSEGF)
(11-AFC-4)**

**Applicant's General Comments and Comments to Conditions of Certification
on the Preliminary Staff Assessment**

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GENERAL COMMENTS

1. Under the current Queue Cluster process managed by the CAISO, it is infeasible to attempt to assess the downstream transmission system impact from a single generation project. Each Queue Cluster is comprised of multiple generators occasionally with multiple Interconnection Requests (IR), which foregoes the ability to assign a particular transmission system network upgrade cannot be to any one generator. Therefore, a conclusion that a particular network upgrade deployment is attributable to a specific generator under the “would not be constructed, but for” criteria cannot be made.

Network upgrades are evaluated by the CAISO and CPUC under the Queue Cluster process, based on public need and the reasonably foreseeable deployment of multiple generators, many of which are not under the jurisdiction of the CEC. Each proposed network upgrade is submitted to the California Public Utilities Commission (CPUC) through the Certificate of Public Convenience and Necessity (CPCN) process and undergoes an environmental review according to CEQA. The CPUC assesses the necessity of the proposed upgrade and develops the mitigation criteria as determined in the CEQA review for implementation by the participating Transmission System Owner (TSO) that is responsible for design and construction of the project. Assignment of costs to implement the project are based on formulae developed in the Phase I and Phase II studies prepared by the CAISO, or may in certain cases be fully upfront funded by the TSO. Within the Queue Cluster checks and balances as administered by the CPUC and the CAISO, the public interest is protected. Additional environmental review to determine mitigation based on a single generation project is unnecessary; however, a review to assess overall cumulative impacts in order to create a complete environmental record remains appropriate.

2. The PSA states that the Phase II Study for the California Independent System Operator (“CAISO”) Queue Cluster 3/Queue Cluster 4 “is required for staff to determine the potential need for downstream transmission facilities.” (PSA Page 5.5-1, First Paragraph). While the Phase II study would be useful, it is not required because the Phase I study is available. The Phase I study presents sufficient information to develop a conservative estimate of network upgrades required by the Rio Mesa SEGF and other projects in Queue Clusters 3 and 4. As noted in Section 6.1.4.1 of the CAISO Business Practice Manual (“BPM”) for Generator Interconnection:

The “Phase I Interconnection Study shall (i) evaluate the impact of *all* interconnection Requests received during the applicable Cluster Application Window on the ISO Controlled Grid, (ii) preliminarily identify all Network Upgrades needed to address the impacts on the ISO Controlled Grid of the Interconnection Requests, (iii) preliminarily identify for each Interconnection Request required Interconnection Facilities, (iv) assess the Point of Interconnection selected by each

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Interconnection Customer and potential alternatives to evaluate potential efficiencies in overall transmission upgrades costs, (v) establish the maximum cost responsibility for Network Upgrades assigned to each Interconnection Request in accordance with ISO Tariff Appendix Y Section 6.5, and (vi) provide a good faith estimate of the cost of Interconnection Facilities for each Interconnection Request. (Emphasis added)

The Phase II Interconnection Study refines the Phase I Study by “updat[ing], as necessary, analyses performed in the Phase I Interconnection Studies to *account for the withdrawal of Interconnection Requests.*” (Emphasis added, see Section 6.1.5.1 of CAISO BPM for Generator Interconnection). In other words, the Phase I Interconnection Study presents a worst case estimate of the need for network upgrades. When generators drop out of the queue, the Phase II Interconnection Study revises the transmission network system upgrades that would be required to support anticipated generation based on the smaller cache of generators. Thus, the Phase II Interconnection Study for the Queue Cluster 3 and 4 is not “required” because Staff can make a conservative estimate of downstream transmission facilities based on the Phase I Interconnection Study. However, as discussed above, impacts of the proposed project cannot be correlated to any particular downstream impact resulting from the cluster as a whole. Moreover, the publication of the Phase II Interconnection Study is the responsibility of the Participating Transmission System Operator and CAISO, and is outside the control of the Applicant. In sum, the FSA should not be delayed based on the publication of the Phase II Interconnection Study.

FINDINGS OF FACT

No findings of fact listed are listed in the PSA.

PROPOSED CONDITIONS OF CERTIFICATION

Applicant has no comments on the proposed conditions.