

SCGIP Appendix DESC CS Stakeholder Meeting

June 11, 2025



Meeting Agenda

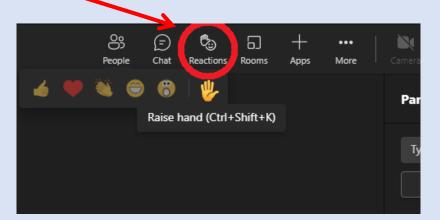
- + Meeting Logistics
- + Purpose
- + Proposed Changes
- + What's Not Changing
- + Next Steps
- + Q&A





Meeting Logistics

- + During presentation:
 - Please mute microphones and turn off camera unless presenting.
 - Submit your questions in chat
- + During Q & A: Raise hand





Purpose of Changes



PURPOSE

The purpose of this update to Appendix DESC CS is to enable, without interruption, a cluster study process for PURPA QF projects that aligns with the FERC Order 2023 Study Process.



PURPOSE

- > FERC Order 2023
 - DESC's LGIP filed in compliance with FERC Order 2023 received conditional approval for an August 1, 2025, effective date.
 - DESC made Supplemental Compliance filing April 21, 2025.
- Current DISIS Process does not align with DESC's ORDER 2023 LGIP Cluster Process.
 - Two-phase System Impact Study vs a single-phase System Impact Study
 - Corresponding "readiness" security deposits



Applicability & Transition



Applicability & Transition

- ➤ Applies to all new Interconnection Requests submitted after April 1, 2025.
- ➤ This Appendix shall <u>not</u> apply to Generating Facilities having submitted an Interconnection Request prior to April 1, 2025, unless Interconnection Customer:
 - Proposes a Material Modification,
 - Transfers ownership of the Generating Facility, or
 - Application of the Appendix is agreed to in writing by DESC and the Interconnection Customer.
- > There will be no Transition Process for projects already in the queue.



Proposed Changes



Proposed Changes

- > Application Window reduced to 45 days (opens August 15 each year)
 - + Includes a hard deadline for application completeness with no cure
- Phases 1, 2, and 3 replaced with a Cluster Study (180 days) and Cluster Restudy (120 days)
- Milestone Readiness and "Security in lieu of" replaced with Commercial Readiness Deposits
 - + 5% prior to Cluster Restudy
 - + 10% prior to Facilities Study
 - + 20% upon execution of SCGIA



Proposed Changes (cont.)

- Addition of cure period for projects Deemed Withdrawn unless specifically not allowed.
- ➤ Resource Cluster Study now allows for **no Withdrawal Penalty** if not selected.
- Distribution of Withdrawal Penalties
 - + Withdrawal Penalties are now refundable
- > Transitional Study Process Removed
- ➤ Informational Interconnection Study replaced with Heat Map



Proposed Changes (cont.)

- Scoping Meeting requires NDA protecting information of all participants in the cluster.
- Evaluation of alternative transmission technology



What's NOT Changing?



What is NOT Changing?

- Study Deposit structure
- Site Control requirements
- ➤ Inclusion of Resource Solicitation Cluster
- ➤ Allocation of Study Costs
- ➤ Allocation of Interconnection Facilities and Upgrade Costs
- > Facilities Study Process and SCGIA process except for security



What's to Come



What's to Come?

- > Stakeholder Process beginning in October 2025 for further updates to Appendix DESC CS. Changes being considered include:
 - + Provisional Service?
 - + Surplus Interconnection Service?
 - + Technological Change Procedure?
 - + Other?



Questions & Answers



