

<b>DOCKETED</b>	
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<b>Description:</b>	SUBJECT: Notification of Loss of Site Exclusivity and Regulatory Impasse – Appendix KK, Section 6.6
<b>Filer:</b>	Renee Longman
<b>Organization:</b>	California Energy Commission
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## FORMAL NOTICE OF MATERIAL CHANGE & SITE CONTROL DEFICIENCY

TO: CAISO Queue Management / Interconnection Resources

REGARDING: Compass Energy Storage Project (Cluster 15)

DATE: January 17, 2026

SUBJECT: Notification of Loss of Site Exclusivity and Regulatory Impasse – Appendix KK, Section 6.6

Dear CAISO Queue Management,

I am writing to you today as President of B.L.E.S.S.I.N.® (Ban Lithium Energy Storage Systems in Neighborhoods), a community-based nonprofit grass roots organization, representing residents of the five cities surrounding the Compass Energy Storage Project. Our mission is to ensure that the siting of such large-scale battery energy storage systems does not jeopardize public safety.

This letter serves as a formal notification to the California Independent System Operator (CAISO) regarding a Material Change in the status of the Compass Energy Storage Project, currently in the Cluster 15 study process.

As stakeholders in the project's host communities of San Juan Capistrano and Laguna Niguel, we are providing evidence that the Interconnection Customer (ENGIE North America) no longer satisfies the Site Control requirements mandated by Appendix KK, Section 3.5.1(iii) and Section 6.6.

### I. Loss of Site Exclusivity (Appendix KK § 6.6)

As of late 2025, the purchase option between the Interconnection Customer and the landowner (Saddleback Church) has officially expired and been declared voided. Under Appendix KK, Section 6.7, Site Exclusivity requires an "exclusive land right to develop, construct, operate, and maintain the Generating Facility." This was announced on KFI radio by Tim Lineberger of Venture Strategic who represents Engie/Compass. This was also confirmed via email with the other principal in the option-to-buy purchase agreement.

The Interconnection Customer currently possesses 0% Site Control. Per Section 6.6, the Customer had an affirmative duty to "promptly inform the CAISO of any material change" to this status. Their failure to do so, while simultaneously filing for a "pause" at the state permitting level, constitutes a serious regulatory bypass.

### II. Evidence of Terminal Site Infeasibility (CEC Docket 24-OPT-02)

On December 22, 2025, the Interconnection Customer filed a formal request with the California



Energy Commission (CEC) to "pause" their application (accepted Jan 12, 2026), citing the need to "evaluate an alternative project location." This is a de facto admission that the current Interconnection Request is geotechnically and economically unbuildable at the studied Point of Interconnection (POI).

### III. Impact on Grid Integrity and Cluster 15 Priority

The CAISO queue is currently overwhelmed with over 500 GW of requests, while the state's transmission plan (TPP) only identifies a need for approximately 150-165 GW of new capacity.

Allowing the Interconnection Customer to literally squat on a Cluster 15 priority position without legal land rights directly harms the "Interconnection Process Enhancement" (IPE) 5.0 goals of clearing stagnant projects.

### IV. Request for Action

We request that CAISO exercise its authority under Appendix KK:

**Issue a 10-Day Notice of Deficiency:** Require the Interconnection Customer to demonstrate 100% legal Site Control for the specific San Juan Capistrano POI within ten (10) business days.

**Deem the Request Withdrawn:** If the Customer cannot demonstrate current, valid Site Exclusivity, the Interconnection Request must be deemed withdrawn pursuant to Section 3.8.

The siting of this project has raised serious and widespread concern within our communities. I have attached a list of government officials, agencies, and other interested parties who have formally written to the California Energy Commission objecting to this location. None of us oppose green energy projects. Our objection is specific to this site, which lies within a high and very high fire hazard severity zones, in close proximity to residential neighborhoods and a vulnerable stretch of the I-5 freeway within the historic City of San Juan Capistrano, multi-story senior housing facilities, and the Mission San Juan Capistrano. Additionally, the site is on unstable land threatened by an actively widening stream that drains directly to the ocean only a few miles downhill.

It is understandable that developers prioritize proximity to transmission lines to minimize degradation and reduce interconnection costs. However, those factors alone do not adequately account for the local conditions that make this site unsuitable. Our concerns are not a critique of Compass or its parent company, Engie, but rather a clear objection to the chosen location. From a local, highly-informed perspective, the risks associated with this site outweigh its logistical advantages. This concern is underscored by the City of San Juan Capistrano's denial of



permits, which was subsequently bypassed by submitting the application directly to the California Energy Commission.

Every day this zombie project remains in the queue, it unfairly displaces viable, ready-to-build resources that are essential for California's reliability and 2045 clean energy mandates. We look forward to your reply.

Respectfully,

Cathleen Pryor

President/CEO

B.L.E.S.S.I.N.®