



Stakeholder Comments Template

Review TAC Structure Revised Straw Proposal

This template has been created for submission of stakeholder comments on the Review Transmission Access Charge (TAC) Structure Revised Straw Proposal that was published on April 4, 2018. The Straw Proposal, Stakeholder Meeting presentation, and other information related to this initiative may be found on the initiative webpage at:

<http://www.caiso.com/informed/Pages/StakeholderProcesses/ReviewTransmissionAccessChargeStructure.aspx>.

Submitted by	Organization	Date Submitted
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Upon completion of this template, please submit it to initiativecomments@caiso.com.

Submissions are requested by close of business on **April 25, 2018**.

Please provide your organization's comments on the following issues and questions.

Hybrid billing determinant proposal

1. Does your organization support the hybrid billing determinant proposal as described in the Revised Straw Proposal?

Yes. CDWR supports the hybrid billing determinant proposal as described in the Revised Straw Proposal. CDWR agrees with CAISO's statement in the Revised Proposal that "[t]he existing volumetric-only approach is indifferent to when consumption occurs, which may not accurately reflect cost causation or benefits received during certain periods." CDWR believes that the hybrid approach as proposed by CAISO is a substantial improvement over the current methodology.

2. Please provide any additional general feedback on the proposed modification to the TAC structure to utilize a two-part hybrid billing determinant approach.

CDWR has no additional comment at this time.

Determining components of HV-TRR to be collected under hybrid billing determinants

3. Does your organization support the proposal for splitting the HV-TRR for collection under the proposed hybrid billing determinant using the system-load factor calculation described in the Revised Straw Proposal?

The system-load factor calculation described in the Revised Straw Proposal addresses the concerns CDWR had raised in its comments responding to the two initial concepts presented in the January 11, 2018 Straw Proposal. CDWR was concerned that the previously proposed simple 50/50 split would be difficult to justify at FERC while the previously proposed use of the Transmission Planning Process would be difficult to implement. The current proposal in the Revised Straw Proposal appears to address both of these concerns. The currently proposed approach provides a readily implementable and conceptually reasonable methodology. The historic results of this methodology as presented in the Revised Straw Proposal also appear reasonable.

4. Please provide any additional specific feedback on the proposed approach for splitting the HV-TRR costs for the proposed hybrid billing determinant.

CDWR has no additional comment at this time.

Peak demand charge measurement design for proposed hybrid billing determinant

5. Does your organization support the proposed 12CP demand charge measurement as described in the Revised Straw Proposal?

The twelve-monthly coincident peak (12CP) approach appears reasonable to CDWR.

6. Please provide any additional feedback on the proposed design of the peak demand charge aspect of the hybrid billing determinant.

CDWR agrees with CAISO's proposal to allocate costs based on coincident peak as opposed to non-coincident peak. CDWR believes that it is the system's peak demand that plays a key role in system planning and drives the need for further investment in the transmission system. It is therefore a load's share of the coincident peak that should serve as the basis for cost allocation.

Treatment of Non-PTO entities to align with proposed hybrid billing determinant

7. Does your organization support the proposed modification to the WAC rate structure to align treatment of non-PTO entities with the proposed TAC hybrid billing determinant?

CDWR believes that the WAC rate structure proposed by CAISO is reasonable.

8. Please provide any additional feedback related to the proposal for modification to the treatment of the WAC rate structure for non-PTO entities.

CDWR has no additional comment at this time.

Additional comments

9. Please offer any other feedback your organization would like to provide on the Review TAC Structure Revised Straw Proposal.

CDWR has no additional comment at this time.

