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March 2, 2017

California Independent System Operator
250 Outcropping Way
Folsom, California 95630

Re: PIRP Protective Measures

Dear Sir or Madam:

I am writing this letter on behalf of Hatchet Ridge Wind, LLC (“HRW”) to urge the California Independent System Operator (“CAISO”) to extend the PIRP Protective Measures for our project. HRW supports generally the positions of the California Wind Energy Association (“CalWEA”) in this respect.

HRW owns and operates a 101 MW wind project and is under contract to sell all of the output from our project to Pacific Gas and Electric Company (“PG&E”). HRW currently receives PIRP Protective Measures because, under our contract with PG&E, HRW is responsible for CAISO real time settlements and does not have the ability to mitigate its exposure to imbalance costs or otherwise respond to CAISO market price signals. The PIRP Protective Measures carry forward the monthly imbalance netting feature of PIRP upon which our contract with PG&E was, in part, based.

In addition, because our contract was entered into long before the market enhancements implemented in response to FERC Order 764 were made, many of the contractual parameters related to scheduling and settlements were premised upon the timelines and mechanics in effect prior to such market enhancements. The PIRP Protective Measures continue to apply these timelines and mechanics and allow us to avoid potentially difficult contract interpretation issues and disputes.

HRW and PG&E are in advanced negotiations to modify our contract and avoid the need for PIRP Protective Measures. HRW and PG&E have worked diligently on amending the contract and HRW is hopeful that these negotiations may be completed by April 30, 2017. However, it is

very unlikely that the contract amendment can be implemented before the PIRP Protective Measures are set to expire on May 1, 2017 because of the required timeline for CPUC approval.

As indicated in CalWEA's comments, it would make no sense to require HRW and PG&E to go through a potentially contentious process to develop a new set of contract protocols for application under our existing contract when such protocols will be replaced, hopefully within the next several months, upon CPUC approval of our expected contract amendment. HRW has at all times acted in good faith in attempting to modernize our contract and our project and we request that CAISO extend PIRP Protective Measures while we finalize these arrangements.

Sincerely,

A handwritten signature in cursive script, appearing to read "Joseph Katzmarek".

Joseph Katzmarek
Asset Manager