

To: California Independent System Operator (CAISO)
From: California Independent Energy Producers (IEP)
Date: March 29, 2012
Subject: **Comments Regarding the Proposed Tariff Language for the Generator Interconnection and Transmission Allocation Procedures Amendment Filing**

IEP appreciates the opportunity to provide the following comments with respect to the Proposed Tariff Language for the Generator Interconnection and Transmission Allocation Procedures (“GITAP”) Amendment Filing as published by the CAISO on March 22, 2012.

Requested Clarification

The draft tariff language published by the CAISO for implementation of certain aspects of the TPP GIP initiative, specifically the proposed tariff amendment now referred to as the GITAP, itemizes in section 8.9.2 the requirements for consideration of a Generating Facility to receive an allocation of TP Deliverability. According to 8.9.2, the minimum requirement for a Generating Facility to receive TP Deliverability requires that the project, if it does not have an executed PPA, to have been shortlisted in an active procurement. To retain its TP Deliverability allocation, the Facility must progress to have an executed PPA by the next planning cycle. We view this as a potential “hole” in the CAISO approach.

While this section, and those surrounding it, address many contingencies within the TP Deliverability schema, the revised tariff language does not appear to address the scenario where an Interconnection Customer whose project receives an allocation of TP Deliverability equal to its interconnection request MW and, either at the time of original TP Delivery allocation or in a later cycle, has contracted for some quantity less than 100% of their TP Deliverability allocation. The tariff suggests that some contingencies will be addressed by the resulting BPM changes that support the revised tariff and perhaps the forthcoming BPM modification would clarify this question, but what would transpire in the scenario described above is unclear in the current draft GITAP language. IEP seeks clarification from the ISO, during the upcoming stakeholder meeting or within the draft tariff language, or both, to address this uncertainty.