Stakeholder Comments

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<th>Submitted by</th>
<th>Company or Entity</th>
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<tr>
<td>Sean Neal, DWG&amp;P</td>
<td>City of Santa Clara, California dba Silicon Valley Power and Modesto Irrigation District</td>
<td>November 23, 2020</td>
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Comments and Questions
2021 Budget and Grid Management Charge Process

The City of Santa Clara, California, dba Silicon Valley Power (“SVP”) and the Modesto Irrigation District (“MID”) thank the California Independent System Operator Corporation (“CAISO”) for the opportunity to submit comments and questions in connection with the CAISO’s 2021 Budget and Grid Management Charge (“GMC”) Process, and November 16, 2020 webconference. SVP and MID raise the below questions which they request that the CAISO answer:

Regarding CAISO’s technology expenses:

- Explain why the “Technology division budget will increase by $2.3 million to $75.5 million for 2021.”

- Could CAISO clarify what “technology system improvements” relate to as opposed to “telecommunications costs and hardware/software maintenance expenses”? CAISO notes that “telecommunications costs and hardware/software maintenance expenses” will decrease by $0.2 million in 2021 but at the same time the costs to complete “technology system improvements” is increasing by $0.4 million. (Draft Budget at pg. 31)

- Could CAISO clarify what it includes in “miscellaneous hardware and software purchases” referenced in the Draft Budget at pg. 48, and if those expenses relate to the “technology system improvements” or to the “telecommunications costs and hardware/software maintenance expenses” mentioned in the Draft Budget at pg. 31? CAISO notes that “miscellaneous hardware and software purchases” are considered a large expense (> $1 million) in the Draft Budget at pg. 48 while on pg. 31 the CAISO mentions that “hardware/software maintenance expenses” will decrease by $0.2 million and “technology system improvements” costs will increase by $0.4 million.
Regarding consultant staffing and fees:

- Explain why “Consultants and contract staff will increase by $0.2 million primarily due to records automation efforts.” (Draft Budget at pg. 36)

- Explain in more detail the increase in consulting fees due to “efforts requiring budget in 2021 include resource adequacy studies, process assessments, records automation efforts, training, day-ahead-market studies, technology and operations system improvements, and the need for subject matter experts in various fields such as renewable integration.” (Draft Budget at 17)

Regarding planned new employees:

- Following up on discussion during the November 16, 2020 webconference, please provide further detail regarding the purpose and roles of the ten planned new employees.

In addition, regarding wildfire liability:

- Please identify where the Draft Budget reflects increases in insurance costs based on potential wildfire liability.