

## Stakeholder Comments Template

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### Comments on CAISO Draft 2016 Stakeholder Initiatives Catalog and Roadmap

The Modesto Irrigation District (“MID”) thanks the CAISO for the opportunity to comment on the Draft 2016 Stakeholder Initiatives Catalog and Roadmap, dated October 7, 2015, and on matters discussed on the associated October 15, 2015 stakeholder call. MID understands that in past years, the CAISO has requested stakeholders to rank preferences of potential initiatives in order to prioritize focus on such initiatives in the following year. However, for 2016, given that the CAISO will be focused on regional integration efforts, the CAISO will not be requesting ranking of stakeholder preferences for initiatives.

MID raises a point of caution regarding the initiative entitled, “Transmission Interconnection Process,” (Section 6.8.1), which suggests the interest of some stakeholders to make transmission interconnection agreements (“IAs”) uniform, at least on the matter of addressing impacts on electric systems arising from the interconnection or modification of generators. While the CAISO designated this initiative as Discretionary, the CAISO should pause before engaging in such a process exploring uniform IAs or uniform provisions in IAs. Transmission IAs are the fundamental business agreement between two, interconnected, load-serving utilities. Such IAs are a careful balance of burdens and benefits, often negotiated over a course of months, and sometimes negotiated with the assistance of Federal Energy Regulatory Commission (“FERC”) judges and staff. IAs with FERC-jurisdictional utilities are filed at FERC, reviewed by FERC staff, and made available for public comment. More fundamentally, they are agreements between two separate entities regarding their own, reciprocal obligations, and not for the benefit of third-parties. Accordingly, pursuing the suggested initiative would raise controversial legal and policy issues, and MID would oppose the commencement of such an initiative. Again, MID understands that the initiative is designated as Discretionary, and is unlikely to be considered for 2016 given other CAISO priorities. However, MID wishes to voice its concerns regarding such an initiative.

Also, MID acknowledges the CAISO's reference to the Interconnection Process Enhancements ("IPE") stakeholder process, which the CAISO characterizes as nearing completion (Section 5.1.3). Among the topics raised in the recent IPE process are certain coordination activities concerning Affected Systems, including a well-vetted notification and response process. This process follows immediately after a lengthy, separate stakeholder process regarding Affected Systems, which resulted in significant Business Practice Manual ("BPM") modifications. MID recommends that the CAISO allow these processes to operate for at least a year, so stakeholders can gain experience in their implementation, before engaging in further processes regarding the study and mitigation of impacts on Affected Systems. MID believes that difficulties expressed by some stakeholders as to the coordination between Affected Systems and interconnecting generators are overstated. At the very least, difficulties that may have occurred with certain projects should not counsel in favor of burdensome processes and restrictions imposed on other Affected Systems. While MID understands that the CAISO does not intend to initiate a 2016 IPE stakeholder process, MID asks the CAISO to keep in mind the points of concern that MID has described above in considering stakeholder requests to open additional, stakeholder processes regarding Affected Systems coordination, or in considering requests to modify planned 2016 stakeholder initiatives, including regional integration initiatives, to include Affected Systems coordination. MID also recommends that the CAISO defer on proposals to preliminarily include further stakeholder processes on Affected Systems coordination on a potential stakeholder initiatives list for 2017. Again, experience in implementation will bear out whether such initiatives would be helpful.

Again, MID thanks the CAISO for its continued consideration of these issues.