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Submitted By	Company	Date Submitted
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VIA E-MAIL

To: caisotariff@caiso.com

Re: Comments on Revised FERC Order No. 764 Draft Tariff Provisions Related to Transitional Protective Measures for Participating Intermittent Resources

MidAmerican Renewables, LLC (“MidAmerican”), based in Des Moines, Iowa, owns and operates solar, wind, geothermal and hydro projects that produce energy sold under long-term power purchase agreements or in wholesale markets, including the CAISO. MidAmerican submits the following comments in response to the revised draft tariff language published by the CAISO on November 14, 2013, related to Transitional Protective Measures for Participating Intermittent Resources.

MidAmerican is supportive of the CAISO’s proposed market changes related to Order 764, and appreciates the changes made to the draft tariff language in response to previous comments. MidAmerican has comments on two aspects of the revised draft tariff language.

MidAmerican’s first comment is related to section 4.8.3.1.1. This section calls for the Scheduling Coordinator to complete the election for PIRP Protective Measures. Read literally, this section conditions a Participating Generator’s ability to request PIRP Protective Measures on the willingness of the Scheduling Coordinator to submit a request. It does not appear that CAISO intended to so condition such a request, given that tariff language elsewhere in this draft outlines procedures for addressing disputes between the Participating Generator and Scheduling Coordinator related to the eligibility of a resource for such measures. MidAmerican suggests that this language be modified to allow the Participating Generator to submit the election, with notice to the Scheduling Coordinator. Language elsewhere in section 4.8.3.1 would also need to be revised for consistency.

MidAmerican is also commenting on the requirement (in section 4.8.3.1.2.2) that parties agree to seek modifications to their power purchase agreements. MidAmerican agrees that it is reasonable to require parties seeking protective measures to pursue good faith efforts to address the contractual issues that prompted their request. It is quite possible

that, upon continuing to make good faith efforts, the parties could identify a solution to their contractual issues that requires neither a modification to their current agreement nor a new power purchase agreement. The related tariff language should be limited to prescribing this outcome (addressing the contractual limitation).

This language has a significant practical impact. Requiring the parties to submit affidavits in which they agree to modify their existing agreements could create a presumption that any outcome of their efforts is necessarily a modification to the original agreement or a new power purchase agreement. Modifications to power purchase agreements can be extremely difficult for the parties to achieve given the related approvals that will likely be required by regulators and financing arrangements. It follows that language which appears to require the parties to modify their agreements could have the perverse effect of actually making it more difficult for the parties to address contractual limitations.

MidAmerican suggests that the CAISO respond to this comment by simply removing references to the means by which resolution might be reached, while continuing to require that the parties negotiate in good faith to achieve the desired outcome. This would accomplish the goal of binding the parties to pursue negotiations without unnecessarily limiting the means by which they might address the underlying issues.

MidAmerican has attached a redlined version of the draft tariff language which incorporates the comments above. Thank you very much for the opportunity to comment.

Very truly yours,

/s/ Steve Rowley

Director, Asset and Risk Management
MidAmerican Renewables, LLC

Attachment: Revised FERC Order No. 764 Draft Tariff Provisions Related to
Transitional Protective Measures for Participating Intermittent Resources – MidAmerican
Comments

**Revised FERC Order No. 764 Draft Tariff Provisions Related to
Transitional Protective Measures for Participating Intermittent Resources**

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4.8 Relationships Between CAISO And Intermittent Resources

4.8.1 Bidding and Settlement

The CAISO shall not accept Bids for an Eligible Intermittent Resource other than through a Scheduling Coordinator. Any Eligible Intermittent Resource that is not a Participating Intermittent Resource, or any Participating Intermittent Resource for which Bids are submitted shall be bid and settled as a Generating Unit for the associated Settlement Periods (except that the Forecast Fee shall apply in such Settlement Periods). Scheduling Coordinators shall not submit Economic Bids or Self-Schedules for Participating Intermittent Resources that are subject to PIRP Protective Measures.

4.8.2 Forecasting

All Eligible Intermittent Resources, including Dynamically Scheduled System Resources qualified as Eligible Intermittent Resources, are subject to the forecasting requirements and the Forecast Fee as described below. All Eligible Intermittent Resources must provide the CAISO meteorological and outage data as specified in Appendix Q.

4.8.2.1 Forecast Requirements

4.8.2.1.1 Use of Own Forecast

Scheduling Coordinators may opt to use and provide the CAISO its own forecast instead of using the forecast of an independent forecast service provided by the CAISO. All Scheduling Coordinators for Eligible Intermittent Resources must provide at a minimum a three-hour rolling forecast with fifteen- (15) minute granularity, updated every fifteen minutes, and may provide in the alternative a three-hour rolling forecast at five- (5) minute granularity, updated every five minutes. If a Scheduling Coordinator for an Eligible Intermittent Resource in the CAISO Balancing Authority Area opts to provide the forecast at a five-minute granularity, the CAISO will use the average of the projected Energy output for the relevant three five (5)-minute forecasts to determine the Variable Energy Resource Self-Schedule for the Fifteen Minute Market as specified in Section 34. Scheduling Coordinators may only elect for use of the Eligible Intermittent Resource's own forecast to the extent the CAISO has certified that the resource has

completed the certification requirements specified in the Business Practice Manuals. A Scheduling Coordinator for an Eligible Intermittent Resource that has elected to use its own forecast must also submit the meteorological and outage data specified in Appendix Q. After the CAISO has certified an Eligible Intermittent Resource as eligible to provide its own forecast, the CAISO may terminate the resource's certification if the CAISO determines that: 1) the Eligible Intermittent Resource's forecast is materially less accurate than the forecast provided by the CAISO on a regular basis; or 2) if the CAISO has a reasonable basis to believe that the resource is engaged in strategic forecasting for purposes other than accuracy. If the CAISO revokes the certification of an Eligible Intermittent Resource to use its own forecast, the Eligible Intermittent Resource must again complete the certification requirements specified in the Business Practice Manuals before it can again qualify to use its own forecast.

4.8.2.1.2 Use of Forecast from Independent Forecast Provider

Scheduling Coordinators for Eligible Intermittent Resources have the option to use the CAISO forecast created by an expert, independent forecasting service. Once the election to use the independent forecast provider is complete the CAISO will specify the election status for the Eligible Intermittent Resource in the Master File. The Scheduling Coordinator for the responsible Eligible Intermittent Resource must provide the meteorological and outage data as specified in Appendix Q. Any changes to this election will be subject to the timeline and rule changes that apply to the Master File as specified in Section 30.7.3.2.

4.8.2.2 Application of the Forecast Fee

Scheduling Coordinators for all Eligible Intermittent Resources, including Variable Energy Resources located outside the CAISO Balancing Authority Area that are Dynamically Scheduled into the CAISO and are qualified as Eligible Intermittent Resources, are subject to the forecast fee specified in Section 2.4.1 of Appendix Q. Such forecast fee shall apply irrespective of whether the resource elects to use the CAISO-created forecast or relies on its own forecast.

4.8.3 Transitional Protective Measures for Participating Intermittent Resources

4.8.3.1 Request for PIRP Protective Measures

4.8.3.1.1 Timing

Participating Generators or Scheduling Coordinators for resources that wish to qualify for PIRP Protective Measures pursuant to Section 4.8.3.2 within the three-year transition period must complete their election

for PIRP Protective Measures no later than thirty (30) days after the effective date of this Section 4.8.3.

The Participating Generator must also notify the Scheduling Coordinator for the resource of such an election on or before the date upon which their election is submitted.

4.8.3.1.2 Materials Submitted with Request

For a resource to qualify for PIRP Protective Measures, within thirty (30) days from the effective date of this Section, responsible parties must submit affidavits as described in either Section 4.8.3.1.2.1 or Section 4.8.3.1.2.2.

4.8.3.1.2.1 Physical Limitations

In the event that the Participating Generator or responsible Scheduling Coordinator submits a request for PIRP Protective Measures because of physical limitations as specified in Section 4.8.3.2.2.1, a representative of the Participating Intermittent Resource or Qualifying Facility that is authorized to legally and financially bind the resource must submit a sworn affidavit that states that the resource meets the criteria specified in Section 4.8.3.2.1 and 4.8.3.2.2.1. The sworn affidavit must also state that the relevant party agrees that during the term of the three-year transition period, the party will engage in a good faith effort to upgrade the facility in order to address the limitations specified in Section 4.8.3.2.2.1.

4.8.3.1.2.2 Contractual Limitations

In the event that the Participating Generator or responsible Scheduling Coordinator submits a request for PIRP Protective Measures because of contractual limitations as specified in Section 4.8.3.2.2.2, the following affidavit(s) must be submitted. A representative of the Participating Intermittent Resource or Qualifying Facility that is authorized to legally and financially bind the resource must submit to the CAISO a sworn affidavit that states that the resource is subject to a contract that meets the criteria specified in Sections 4.8.3.2.1 and 4.8.3.2.2.2, which it must also electronically serve on the same day to the counterparty to the contract. A representative of the counterparty to the applicable existing bilateral agreement that is authorized to legally and financially bind the counterparty may also submit a sworn affidavit stating that the resource is subject to a contract that meets the criteria specified in Sections 4.8.3.2.1 and 4.8.3.2.2.2, which it must also electronically serve on the same day to the counterparty to the contract. Both of these affidavits must each state that during the term of the three-year transition period, the Participating Intermittent Resource (or Qualifying Facility) will engage in a good faith effort with

the counterparty to ~~modify the relevant bilateral agreement or power purchase agreement, or seek to enter into a new power purchase agreement, to~~ address the existing contractual limitation specified in Section 4.8.3.2.2.2. In the event that the counterparty submits no additional affidavits within the thirty days, the CAISO deems the counterparty to have acquiesced to the request by the representative of the Participating Intermittent Resource. To the extent that the counterparty instead submits an affidavit by a representative of the company that is fully authorized to legally and financially bind the company stating that the resource's contract does not meet the criteria in Sections 4.8.3.2.1 and 4.8.3.2.2.2, the affidavit must also state that the Participating Intermittent Resource shall not suffer any economic or other repercussions under the contract were the resource to participate fully in the CAISO Market, including through the submission of Economic bid for economic curtailment. The representative of the Participating Intermittent Resource may choose to withdraw its request in light of the counterparty's affidavit or pursue resolution of a contractual dispute through a dispute resolution process specified in the relevant contract, or if none is available, through the process specified in Section 13 of the CAISO Tariff. During the term that the contract terms are in dispute, the resource will be subject to PIRP Protective Measures provided it meets all the other criteria specified in this Section 4.8.3. Upon resolution of the dispute, if the parties agree the contract is not eligible for PIRP Protective Measures, the resource will resume its status as a Participating Intermittent Resource not subject to PIRP Protective Measures.

4.8.3.2 Criteria

Participating Intermittent Resources or Qualifying Facilities that are registered as such on the day that this Section 4.8.3 becomes effective may qualify for PIRP Protective Measures if they meet the criteria specified below. Fulfilling such criteria is a requirement in addition to providing the affidavits described in Section 4.8.3.1.2. Qualifying Facilities whose capacity exceeds twenty (20) MW on the day this tariff section becomes effective may qualify if they meet the criteria specified below. Such Qualifying Facilities that elect and qualify for PIRP Protective Measures must also be qualified as a Participating Intermittent Resource for the term over which they are to receive the PIRP Protective Measures.

4.8.3.2.1 Exposure to Real-Time Imbalance Energy

The Participating Intermittent Resource, or Qualifying Facility upon expiration of its Qualifying Facility contract with a Utility Distribution Company, either: (1) is subject to an existing bilateral agreement for

power purchases from the affected resource, such as a power purchase agreement, that is in effect the day this Section becomes effective, and such agreement in its totality requires that the resource owner directly or indirectly is subject to Real-Time Imbalance Energy Settlement in the CAISO Market; or (2) is not subject to any bilateral agreement for power purchases from the affected resource on the day this section becomes effective and, therefore, the resource is itself subject to Real-Time Imbalance Energy Settlement in the CAISO Market.

4.8.3.2.2 Ability to Curtail

The affected resource must also meet one of the two criteria below:

4.8.3.2.2.1 Physical Limitation

More than fifty (50) percent of the Participating Intermittent Resource or Qualifying Facility is composed of technology that is unable to curtail output and cannot be made to do so without significant investment. Participating Intermittent Resources that only lack Dispatch, control, and telemetry or metering that require upgrades to be able to respond will not qualify. Participating Intermittent Resources that require production facility investments, such as turbine replacements, will qualify.

4.8.3.2.2.2 Contractual Limitation

The resource is subject to an existing bilateral agreement for power purchases, such as a power purchase agreement, that is in effect on the date on which this Section become effective, and that prohibits the resource from curtailing its output (not including times when they are ordered to do so by the CAISO or a affected Utility Distribution Company for reliability reasons).

4.8.3.3 Term of PIRP Protective Measures

The PIRP Protective Measures shall be in effect until the earlier date of (1) three years after the effective date of this Section, or (2) the execution between the Participating Intermittent Resource owner and its counterparty of a new or amended power purchase agreement (or similar contract for services) that addresses their Imbalance Energy settlement.

4.8.3.4 Posting

The CAISO will post on its Website the names of the Participating Intermittent Resources that have elected and, subsequently who have been qualified to receive PIRP Protective Measures. * * *

11.12.1 Settlement of Hourly PIRP Schedules – PIRP Protective Measures

11.12.1.1 Hourly Settlement

Scheduling Coordinators that represent Participating Intermittent Resources that have been qualified for PIRP Protective Measures pursuant to Section 4.8.3 will be subject to the following Settlement requirements. The CAISO will first settle the market outcomes for the Participating Intermittent Resources subject to PIRP Protective Measures consistent with the rules specified in Section 11. At the end of the month, the CAISO will calculate the PIRP Protective Measures monthly resettlement, which it will base on the forecast established for the Participating Intermittent Resource 90 minutes prior to the applicable Trading Hour. For each month the CAISO will calculate the PIRP Protective Measures Settlement Amount as the total of: (1) the sum of the product of the 90 minute MWh amounts, for each hour of the month multiplied by the simple average of the RTD LMP for the applicable Trading Hour; and (2) the product of (a) the monthly netted MWh quantities under PIRP Protective Measures, which is the sum of the hourly differences between the ninety (90) minute MWh amounts and the Participating Intermittent Resource's 5-minute metered MWhs, and (b) the resource's monthly weighted average RTD LMP, where the weights are the metered Generation quantities associated with each RTD LMP. The provisions in this Section 11.12.1 and in Section 11.12.2 will be in effect as of the day this Section becomes effective and the CAISO will implement these measures no later than twelve months after the effective date of this section. If the Scheduling Coordinator submits an Economic Bid to the Real-Time Market, the resource will be disqualified from PIRP Protective Measures and shall not be eligible for Bid Cost Recovery related payments for such Economic Bids.

11.12.1.2 Use of Inter-Scheduling Coordinator Trades for Energy

To the extent a Participating Intermittent Resource that is subject to PIRP Protective Measures is contractually required to make use of the CAISO's Inter-Scheduling Coordinator Trade for Energy to effectuate payment transfers with its contractual counterparty, the Scheduling Coordinator may select a flag in its Master File to indicate its election to settle of any Physical or Converted Physical Inter-Scheduling Coordinator Trades for Energy submitted for the Participating Intermittent Resource at the Participating Intermittent Resource location as follows; the Inter-Scheduling Coordinator Trades will settle at the hourly simple average of the RTD LMP of the PNode at the affected PIR location. Financial Inter-Scheduling Coordinator Trades for Energy will not be eligible for such treatment.

11.12.2 Allocation Of Participating Intermittent Resources Protective Measures Costs/Revenues

For each month, the CAISO will calculate the difference between the charges and payments made to the Scheduling Coordinator for each Participating Intermittent Resource under its Settlement as specified in Sections 11, and the PIRP Protective Measurement resettlement amounts. The CAISO will charge or credit the differences to the Scheduling Coordinator and will allocate a corresponding credit or charge to all Scheduling Coordinators in proportion to each Scheduling Coordinator's aggregate Net Negative Uninstructed Deviations in that month relative to the aggregate Net Negative Uninstructed Deviations for all Scheduling Coordinators in the CAISO Balancing Authority Area in that month.

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11.12.3.3 Participating Intermittent Resource Export Fee

A Participating Intermittent Resource Export Fee will be levied to Participating Intermittent Resources that have elected for PIRP Protective Measures in accordance with Section 5.3 of Appendix Q and Schedule 4 of Appendix F.

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Appendix Q
Eligible Intermittent Resources Protocol (EIRP)

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2.2.5 Information Requirements For Participating Intermittent Resource Export Fee

In order for the CAISO to administer, implement and calculate the Participating Intermittent Resource Export Fee, each Participating Intermittent Resource jointly with, and through, its Scheduling Coordinator must provide the CAISO with the following information and documents under the schedule and conditions set forth in this section.

The CAISO will maintain the confidentiality of all information and documents received under this section in accordance with CAISO Tariff Section 20 et seq.

- A. A certification, in the form set for in a Business Practice Manual, signed by an officer of the Participating Intermittent Resource and its Scheduling Coordinator, identifying (1) the PIR Export Percentage under Section 5.3.2 of this EIRP for resources that have elected PIRP Protective Measures, if any, and basis thereof, and (2) each contract to sell Energy or capacity from the Participating Intermittent Resource, including for each such contract, the counterparty, start and end dates, delivery point(s), quantity in MW, other temporal terms, i.e., seasonal or hourly limitations.

The certification must be updated by resubmission to the CAISO (1) upon a request to modify the composition of the Participating Intermittent Resource under Section 2.4.2 of this EIRP; or (2) within ten (10) calendar days of final execution of a new contract or any change in counterparty, start and end dates, delivery point(s), quantity in MW, or other temporal terms, as described above, for any prior certified contract. All other contractual changes will not trigger the obligation for recertification;

- B. Copies of all contracts, including changes, identified in the above-referenced certification; however, price information may be redacted from the contracts provided.

Each Participating Intermittent Resource, as of November 1, 2006, must initially provide the information requested by this Section 2.2.5 in accordance with a Market Notice provided by the CAISO to Participating Intermittent Resources. All other Eligible Intermittent Resources must satisfy this Section 2.2.5 in order to become a Participating Intermittent Resource after November 1, 2006.

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4.1 [Not Used]

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5 SCHEDULING AND SETTLEMENT

5.1 Schedules

For all Generating Units that comprise the Participating Intermittent Resources shall comply with the Bidding and scheduling rules specified in Sections 4.____ 30, 31, and 34.

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5.3 Participating Intermittent Resource Export Fee

The rules specified in this Section 5.3 and its subsection applies only to Participating Intermittent Resources that have elected PIRP Protective Measures and do not apply to resources that have not elected for such measures.

5.3.3 Monthly Application of Participating Intermittent Resource Export Fee

Each month the CAISO will charge Exporting Participating Intermittent Resources the Participating Intermittent Resource Export Fee, as set forth in Schedule 4 of Appendix F.