

## Stakeholder Comments Template

Submitted by	Company	Date Submitted
Brian Theaker 530-295-3305 <a href="mailto:brian.theaker@nrgenergy.com">brian.theaker@nrgenergy.com</a>	NRG Energy, Inc. ("NRG")	August 22, 2013

Please use this template to provide your comments on the Interconnection Process Enhancements Straw Proposal posted on July 18 and as supplemented by the presentation and discussion during the August 8 stakeholder meeting.

Submit comments to [GIP@caiso.com](mailto:GIP@caiso.com)

**[Comments are due August 22, 2013 by 5:00pm](#)**

The Straw Proposal posted on July 18 may be found at:

[http://www.caiso.com/Documents/StrawProposal-Topics1-5\\_13-15\\_InterconnectionProcessEnhancements.pdf](http://www.caiso.com/Documents/StrawProposal-Topics1-5_13-15_InterconnectionProcessEnhancements.pdf)

The presentation discussed during the August 8 stakeholder meeting may be found at:

[http://www.caiso.com/Documents/Agenda\\_Presentation-InterconnectionProcessEnhancements080813.pdf](http://www.caiso.com/Documents/Agenda_Presentation-InterconnectionProcessEnhancements080813.pdf)

Please provide your comments following each of the topics listed below.

### **Topic 1 – Future downsizing policy**

Comments: NRG supports the CAISO's proposal for providing annual downsizing opportunities largely as proposed.

As NRG noted at the August 8 meeting at the CAISO, while it supports the CAISO's proposal, the first downsizing opportunity will not be extended until the end of 2014. NRG encourages the CAISO to consider how it could begin offering downsizing opportunities sooner than the end of 2014.

### **Topic 2 – Disconnection of first phase of project for failure to build later phase**

Comments: No comments.

**Topic 3 – Clarify tariff and GIA provisions related to dividing up GIAs into multiple phases or generating projects**

Comments: No comments.

**Topic 4 – Improve Independent Study Process**

Comments: NRG supports the CAISO's proposal.

**Topic 5 – Improve Fast Track**

Comments: NRG supports the CAISO's proposal.

**Topic 13 – Clarify timing of transmission cost reimbursement**

Comments: Reimbursement should begin when the generating project reaches commercial operation. Waiting to begin the reimbursement until the network upgrades are completed does not create an incentive for the PTO to complete the upgrades in a timely fashion.

**Topic 14 – Distribution of forfeited funds**

Comments: NRG agrees that the current method – in which forfeited funds are credited to Scheduling Coordinators in proportion to the amount of Grid Management Charge that each SC pays – does not align with the paradigm in which those funds are forfeited.

It is important to create financial incentives to help the CAISO manage the interconnection process and the size of the queue. However, forfeiting funds through the CAISO interconnection process has not always produced reasonable results. For example, NRG forfeited a substantial amount of funds when it withdrew a project from Cluster 3 because the initial Cluster 3 Phase 1 studies identified huge network upgrade costs. Those network costs were later reduced as a result of the withdrawn projects, benefitting later interconnection customers, but to the disadvantage of those who had withdrawn their projects based on a projection of interconnection costs that ultimately proved to be wrong.

NRG supports using forfeited funds to offset the impacts of withdrawn projects on the costs (restudy or upgrade costs) incurred by other interconnection customers in the same cluster, as proposed by LSA, CalWEA and IEP.

**Topic 15 – Inverter/transformer changes (material modification process)**

Comments: no comments.