



May 27, 2014

Chair Robert Foster  
Governor Ashutosh Bhagwat  
Governor Angelina Galiteva  
Governor Richard Maullin  
Governor David Olsen

**RE: Generator Interconnection and Deliverability Allocation Procedure (GIDAP) reassessment changes**

Dear Chair Foster and Governors Bhagwat, Galiteva, Maullin, and Olsen:

On behalf of the Large-scale Solar Association (LSA), I am writing to support the CAISO's proposals to revise two important aspects of the annual GIDAP reassessment process: adjustments to Interconnection Customer (IC) Network Upgrade (NU) cost caps and Interconnection Financial Security (IFS) postings, based on the reassessment results.

LSA has advocated generally that the GIDAP reassessment results should be treated as a Phase II Study revision. Therefore, if the new cost responsibility is lower than that in the Phase I or prior Phase II Studies, it should automatically reduce both NU cost caps and IFS postings. These position were reflected in LSA's comment submissions in both the expedited stakeholder process last fall and the current initiative.

LSA appreciates CAISO Management's willingness to re-open these issues after the expedited review process last fall. The current proposals incorporate several concepts that LSA recommended and they reflect a reasonable approach that will greatly assist generation developers without placing additional financial risk on Participating Transmission Owners (PTOs).

The proposals before you go a long way toward addressing LSA's concerns. The NU cost-cap proposal provides for potential reduction of the NU cost cap where there is a large gap between the reassessment results and the prior cost cap. The IFS posting proposal would adjust posting amounts to reflect the new cost responsibility. The cap and the posting amount would be subject to later increases under certain circumstances, but those circumstances are likely to be rare and are an acceptable trade-off for the benefits provided by these proposals.

LSA may suggest additional refinements through the next CAISO Interconnection Process Enhancements (IPE) effort, but we support the CAISO's proposals here and urge you to adopt them.

Sincerely,

A handwritten signature in black ink that reads "Shannon Eddy". The signature is fluid and cursive, with the first name being more prominent.

Shannon Eddy  
Executive Director