

October 28, 2010

**COMMENTS ON BEHALF OF THE CITIES OF ANAHEIM, AZUSA, BANNING,
COLTON, PASADENA, AND RIVERSIDE, CALIFORNIA REGARDING
CAPACITY PROCUREMENT MECHANISM DRAFT TARIFF LANGUAGE**

In response to the ISO's request, the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California (collectively, the "Six Cities") submit the following comments on the October 22, 2010 Capacity Procurement Mechanism Draft Tariff Language.

Draft Section 43.2(6) refers to capacity at risk of retirement within six months that will be needed for reliability within two years. However, Draft Section 43.2.6 refers to a resource that is at risk of retirement during the current RA Compliance Year but will be needed for reliability during the subsequent RA Compliance Year. Without waiving objections to designation of CPM capacity for resources at risk of retirement, the Six Cities suggest that the draft tariff language be clarified with respect to the time period considered for the evaluation of reliability needs by conforming Draft Section 43.2(6) to the language in Draft Section 43.2.6.

The final paragraph of Draft Section 43.2.6 provides that prior to issuing a CPM designation for a resource at risk of retirement, the ISO will prepare a report explaining the need for the designation and allow no less than 30 days for stakeholders to review and comment on the report and for an LSE to procure Capacity from the resource. Without waiving objections to designation of CPM capacity for resources at risk of retirement, the Six Cities suggest that, in light of the fact that the resource considering retirement must provide 180 days notice to the ISO, a minimum of 60 days should be afforded to stakeholders for comments on the ISO's report and alternate efforts to procure Capacity from the resource.

Submitted by

Bonnie S. Blair
Thompson Coburn LLP
1909 K Street N.W.
Suite 600
Washington, D.C. 20006-1167
bblair@thompsoncoburn.com
202-585-6905

Attorney for the Cities of Anaheim, Azusa,
Banning, Colton, Pasadena, and Riverside,
California