

**TransAlta Energy Marketing U.S. comment on CAISO Stakeholder Catalog Process
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The TransAlta Energy Marketing U.S. (“TEMUS”) appreciates the opportunity to provide comments on the Draft 2017 Stakeholder Initiatives Catalog.

TEMUS proposes the additional discretionary initiative be included for consideration:

Examination of the Removal/Reduction of the Transmission Access Charge (“TAC”) for Exports (D)

This initiative will investigate the appropriateness charging exports in light of the generation mix changes occurring in California. When the TAC was put in place, California was primarily an importing jurisdiction meaning exports tended to increase the costs of operating the transmission system. Currently, exports relieve over generation conditions and mitigate curtailments by exporting excess energy out of California. Exports now provide a benefit that would be optimized if these transactions were not encumbered by the TAC. Additionally, current EIM Entities do not pay the TAC charge and removing it from exports would provide equal treatment. This initiative would examine how to lower or eliminate the TAC in order to increase export liquidity.