

**BrightSource Energy, Inc.’s Comments on Policy Driven Elements Under \$50 Million
Eligible for Management Approval**

Submitted by	Company	Date Submitted
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BrightSource Energy, Inc. (BSE) appreciates the opportunity to provide comments on the CAISO’s whitepaper concerning the proposed policy-driven transmission project to interconnect generation developers located in the Imperial Irrigation District’s (IID) service territory. The CAISO has stated that the proposed project is expected to cost approximately \$25 million and would include a 230 kV collector station and a 230 kV transmission line connecting the collector station to the Imperial Valley substation.

While BSE commends the CAISO for identifying and moving forward with policy-driven elements under the CAISO Tariff, BSE does have a few concerns about the process, including how this policy-driven element was chosen above others and whether interconnection customers in the CAISO queue in other geographic will be negatively impacted vis-à-vis those interconnecting in the geographic region to be served by the proposed policy upgrade. BSE would also like additional information concerning the scope and impact of the proposed project.

Throughout the CAISO’s Stakeholder Process on Deliverability of Resource Adequacy Capacity on Interties, BSE sought to ensure that the current projects already in the CAISO queue would not be discriminated against or placed at a disadvantage due to the integration of resources in the IID service territory. The CAISO assured stakeholders that projects in the CAISO generation queue would not be disadvantaged due to the deliverability of imports; however, recent evidence has called that conclusion into doubt, and BSE continues to be concerned about this issue.

Although this stakeholder process focuses on policy-driven transmission upgrades that will be placed under CAISO operational control, the same concerns exist. BSE would like assurances from the CAISO that the construction of these upgrades will not delay the interconnection or deliverability of projects already in the queue. As the CAISO is well aware, projects in the queue are experiencing lengthy transmission delays, the CAISO consistently informs projects that planned CODs and delivery dates cannot be met. The CAISO should explain what efforts it is undertaking to ensure that projects in other area are interconnected and deliverable in a more timely fashion, and that the interconnection customers in this geographic region are not being unduly advantaged in terms of both cost and schedule.

Moreover, in the conference call on this issue, stakeholders asked the CAISO to justify why it was choosing this element as a policy upgrade – rather than a generator interconnection process-driven upgrade – as opposed to other transmission upgrades that are being funded by generators in Clusters 3 & 4 and before. The CAISO did not sufficiently explain why this element qualifies as a policy upgrade, while other similarly-situated transmission elements do not. Thus, BSE would appreciate further explanation by the CAISO on this point before determining whether it is able to support the policy driven upgrade.

Again, BSE appreciates the opportunity to provide comments on this matter.