

California Department of Water Resources
Comments on the California Independent System Operator's
"Generator Interconnection Process: Deliverability Requirements for Clusters 1 and 2"
January 24, 2012

The California Independent System Operator (CAISO) on January 17, 2012 hosted a stakeholder meeting following the posting of its Revised Discussion Paper "Generator Interconnection Process: Deliverability Requirements for Clusters 1 and 2", dated January 10, and requested stakeholder comments by January 24. The California Department of Water Resources (CDWR) appreciates the opportunity to provide the following comments.

- CDWR commends the CAISO for continuing its effort to process in an economically responsible, productive manner the viable projects in the CAISO Queue. We understand from the discussion paper and meeting that it is the CAISO's intent for the proposed modified study approach for Cluster 1 and 2 to take effect on or about January 31 concurrently with the posting of the technical bulletin for these clusters. The discussion paper later suggests, and the CAISO expressed during the meeting, that the modified study approach would be applied to Cluster 3 and 4. CDWR supports a continuing review of the existing process and of the currently proposed process planned for Cluster 1 and 2 such that additional refinement and input from stakeholders following Cluster 1 and 2 can be incorporated into the modified study approach before being committed for Cluster 3 and 4.
- The proposal describes on page 5 under "Cluster 1 and 2 approach" that the CAISO will reassess and "revise the phase 2 studies and will provide for the affected cluster 1 and 2 generation projects the reduced DNU requirements and associated cost responsibilities." Additionally, page 10 states that the CAISO "will issue a supplement to each cluster 1 and 2 interconnection customer's Phase II Interconnection Study Report." We urge the CAISO to also engage any affected systems in accordance with section 3.7 of the GIP such that reliability and delivery concerns are appropriately coordinated. This will also enable any agreements negotiated in accordance with section 3.7 and/or section 12.4 of GIP to better support and more realistically reflect the generation project's revised status due to the modified study approach.
- The proposal describes on page 9 under "Cluster 3 and 4 phase 2 study approach" that if "more generation projects execute GIAs and then drop out later, the ISO would need to perform a restudy in the GIP to adjust reliability and possibly deliverability network upgrade plans for the remaining projects." Does the CAISO plan for the restudies to consist of (all of) those normally performed for the interconnection studies? Would the remaining projects be expected to be responsible for funding through their Study Deposits such studies?

Respectfully submitted,

Maifiny Vang