# Stakeholder Comments Template

# Subject: Remote Resource Interconnection Policy

| Submitted by | Company | Date Submitted |
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This template has been created for submission of stakeholder comments on the following topics covered in the June 1 Market Notice regarding Remote Resource Interconnection Policy. Upon completion of this template please submit (in MS Word) to chinman@caiso.com. Submissions are requested by close of business on Friday June 15, 2007.

Please submit your comments to the following questions for each topic in the spaces indicated.

1. What is the minimum percentage of capacity of eligible projects that must be subscribed pursuant to executed Large Generator Interconnection Agreements before construction can commence?

10 to 20% of the line.

2. What are the appropriate criteria for demonstrating "additional interest" (i.e., interest more than the requisite minimum percentage of LGIAs) for an eligible project?

Having a queue position, responses to an open season, CEC studies, actively developed land under contract.

3. What is the minimum percentage of "additional interest" that should be shown for an eligible project before construction can commence?

10% to 20%.

4. Do wheel-through customers receive benefits from a Remote Resource Interconnection Facility? Should the costs of a Remote Resource Interconnection Facility be included in wheel-through rates? Why or why not?

Yes, it should apply to all and costs should be included in wheel through rates. In our opinion, this support open access and is fair.

5. What are the key elements of and considerations for a transmission planning process for the Remote Resource Interconnection Policy?

- identify area through CEC analysis
- compare with demonstrated generator interest
- measure against criteria (including resource diversity)
- process to optimally size
- size should compare with market demand

6. What principles should be applied and factors considered to ensure that a proposed Remote Resource Interconnection Facility will result in a cost effective and efficient interconnection of resources to the grid?

No comment at this time.

7. How should Energy Resource Areas be selected?

In response to CAISO's proposal that state entities such as the CEC and CPUC identify and assess potential Energy Resource areas, FERC's Order Granting Petition for Declaratory Order (119 FERC ¶ 61,061) (Order) determined (at ¶ 90) that "…tariff provisions will make clear how these areas will be selected." Clipper Windpower supports this approach, and recommends that the CAISO tariff specify the CEC as the agency that will administer the process of identifying and assessing potential Energy Resource Areas.

Clipper Windpower further recommends that the tariff language discussing potential Energy Resource Areas explicitly clarify that eligible Energy Resource Areas may be located adjacent to or overlapping the borders of the CAISO control area, as long as the multi-user interconnection facilities that would be subject to the rate treatment approved by the FERC order are located within the CAISO control area. This clarification is important, as some significant potentially eligible remotely located renewable resource areas straddle the borders with Mexico, Nevada, the Pacific Ocean and possibly other neighboring control areas. This clarification is consistent with FERC's mandate, and with the Order's underlying intent. For example, the Order (at ¶ 68) specifically concludes that the CAISO's proposal is consistent with and supports the California renewable portfolio standard (RPS). Under the California RPS, renewable resources located outside of California may meet the definition of "in-state eligible renewable resource" if the energy is destined for use within California and meets certain in-state delivery requirements (see: http://www.energy.ca.gov/2007publications/CEC-300-2007-006/CEC-300-2007-006-CMF.PDF). Likewise, FERC's instruction to integrate this implementation process with Order 890 transmission planning processes strongly supports the inclusion of border resources in defining eligible Energy Resource Areas. Remotely located resource areas that may interconnect within CAISO to serve California customers do not fall neatly within CAISO boundaries. They overlap borders and may be located offshore, and it is very important that the tariff rules reflect this geographical reality. Clipper Windpower looks forward to working with the CAISO to develop clear and workable tariff rules.

8. Should the CAISO consider tariff changes to its existing authority to "cluster" interconnection studies to enhance its ability to efficiently evaluate locationally-constrained resource areas

Yes, we strongly believe that tariff changes should be made to “cluster” interconnection studies. Network upgrades for clustered generation should be directly rate-based in TAC.

9. Other

(Submit Comments Here)