

**CALIFORNIA ISO
Straw Proposal
Generator Interconnection Procedures
Phase 2**

**COMMENTS OF THE STAFF OF THE
DIVISION OF RATEPAYER ADVOCATES
CALIFORNIA PUBLIC UTILITIES COMMISSION
On**

Straw Proposal, Generator Interconnection Procedures Phase 2

May 5, 2011

VIA E-MAIL: GIP2@caiso.com

Introduction

The Staff of the Division of Ratepayer Advocates (“DRA Staff”) appreciates the opportunity to comment on the California ISO Straw Proposal for Generator Interconnection Procedures Phase 2 (GIP II). DRA’s comments are limited to Section 5.1.1, Economic Test for Network Projects, which was described in the Straw Proposal and in CAISO’s presentation at the Stakeholder meeting of April 28, 2011.

DRA objects to the CAISO’s proposed changes to the cost-allocation policies contained in Section 5.1.1 of the Straw Proposal. Slide 18 of Lorenzo Kristov’s Presentation clearly shows that it is CAISO’s intent to remove network upgrade cost responsibility from the profit-making interconnecting generator and assign it to the ratepayer. CAISO’s 5th Conforming Tariff, Appendix Y, requires that network upgrade costs directly caused by adding generators should be assigned to the generators. Therefore, DRA recommends that Section 5.1.1 be removed from the Straw Proposal for GIP II.

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