

Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this template to provide your written comments on the 2018 IPE stakeholder initiative Issues Paper posted on January 17, 2018.

Submit comments to InitiativeComments@CAISO.com

Comments are due February 7, 2018 by 5:00pm

The issue paper posted on January 17, 2018 and the presentation discussed during the January 24, 2017 stakeholder meeting can be found on the CAISO webpage at the following link: <http://www.caiso.com/informed/Pages/StakeholderProcesses/InterconnectionProcessEnhancements.aspx>

Please use this template to provide your written comments on the Issue Paper topics listed below and any additional comments you wish to provide. The numbering is based on the sections in the Issue Paper for convenience.

4. Deliverability

4.1 Transmission Plan Deliverability Allocation

ITC Holdings Corp. (“ITC”) supports inclusion of this topic in the scope of the Interconnection Process Enhancements 2018 (“IPE 2018”) stakeholder initiative, as part of our broader support for considering the impacts of allowing projects with potentially limited commercial viability to remain in the queue and to continue to seek an allocation of TP deliverability. Specifically, the impacts on lower-queued and new projects need to be considered when making process changes to allow projects to remain in the queue and continue to apply for deliverability, especially in situations where making these allowances may

prevent a viable lower-queued project with a power purchase agreement from obtaining TP deliverability, from having certainty on its network upgrade costs, or from moving forward expeditiously. A number of the other topics below also relate to consideration of these impacts.

4.2 Balance Sheet Financing

ITC supports inclusion of this topic in the scope of the IPE2018 stakeholder initiative, as part of our broader support for considering the impacts of allowing projects with potentially limited commercial viability to remain in the queue, thereby impacting lower-queued and new projects.

4.3 Participating in the Annual Full Capacity Deliverability Option

ITC supports inclusion of this topic in the scope of IPE 2018 stakeholder initiative, in order to ensure that projects remaining in the queue and continuing to seek TP deliverability can meet requirements to demonstrate that they are commercially viable.

4.4 Change in Deliverability Status to Energy Only

ITC supports inclusion of this topic in the scope of IPE 2018 stakeholder initiative in order to prevent a project from avoiding its cost responsibility for Delivery Network Upgrades when it converts to Energy Only status.

4.5 Energy Only Projects' Ability to Re-enter the CAISO Queue for Full Capacity

ITC supports inclusion of this topic in the scope of IPE 2018 stakeholder initiative, with a primary focus on ensuring that any such opportunity does not negatively impact other projects in the queue, or allow the project to avoid its network upgrade cost responsibility.

4.6 Options to Transfer Deliverability

4.7 Transparency on Availability of Deliverability

ITC supports inclusion of this topic in the scope of the IPE 2018 stakeholder initiative in order to allow for the enhancement of CAISO reports on the availability of TP deliverability. Making such information more accessible, particularly for specific locations on the system, would help to enable informed decision-making by developers.

4.8 Commercial Viability Criteria – Continuous Compliance Obligation

4.9 Interim Deliverability Status

4.10 Effective Load Carrying Capacity

4.11 Cancellation or Delay of CAISO Approved Transmission Projects

5. Energy Storage

5.1 Distributed Energy Resources

5.2 Replacing Entire Existing Generator Facilities with Storage

5.3 Deliverability Assessment for Energy Storage Facilities

6. Generator Interconnection Agreements

6.1 Suspension Notice

6.2 Affected Participating Transmission Owner

6.3 Clarify New Resource Interconnection Requirements

6.4 Ride-through Requirements for Inverter based Generation

6.5 Affected System Options

Although the CAISO does not recommend further consideration of how identified impacts of an interconnection request on neighboring systems are coordinated and mitigated, ITC strongly recommends including this topic in the scope of the IPE 2018 stakeholder initiative in order to consider additional clarifications to documented Affected System practices. FERC's recent order on the EDF complaint (docket EL18-26) regarding the lack of clear timelines and coordination activities for Affected System studies among MISO, PJM and SPP indicates that regardless of documented provisions, they can prove ineffective or insufficient in practice. ITC's experiences with Affected System studies in other regions also bear this out. As such, we respectfully suggest that the CAISO explore whether further clarification is needed in this area.

6.6 Modeling Data Requirements

7. Interconnection Financial Security and Cost Responsibility

7.1 Maximum Cost Responsibility for NUs and Potential NUs

ITC supports inclusion of this topic in the scope of the IPE 2018 stakeholder initiative. We are supportive of clarifying the existing principles for cost responsibility for network upgrades, in order to support more informed developer decision-making.

7.2 ITCC for Non-cash Reimbursement Network Upgrade Costs

7.3 Financial Security Postings and Non-Refundable Amounts

7.4 Queue Clearing Measures

Although the CAISO does not recommend further consideration of queue management measures in the IPE 2018 stakeholder initiative, ITC respectfully requests that the CAISO remain open to consideration of additional requirements in the scope of the IPE 2018 initiative related to demonstrations that projects are commercially viable and moving forward.

7.5 Shared SANU and SANU Posting Criteria Issues

7.6 Clarification on Posting Requirements for PTOs

7.7 Reliability Network Upgrade Reimbursement Cap

7.8 Reimbursement for Network Upgrades

8. Interconnection Request

8.1 Study Agreement

ITC supports inclusion of this topic in the scope of the IPE 2018 stakeholder initiative as a method of improving the efficiency of the interconnection request and Generator Interconnection Process Study Agreement (GIPSA) submissions for developers, and reducing the time and effort for the CAISO to process both submissions.

8.2 Revisions to Queue Entry Requirements

ITC understands and agrees that opportunities to consider new interconnection queue entry requirements or project screens as part of the IPE 2018 stakeholder initiative may be limited, but urges the CAISO to remain open to considering specific, smaller-scale entry requirements that stakeholders may suggest.

8.3 Master Planned Projects (Open Ended and Serial Projects)

8.4 Project Name Publication

8.5 Interconnection Request Application Enhancements

8.6 FERC Order No. 877

9. Modifications

9.1 Timing of Technology Changes

9.2 Commercial Viability – PPA Path Clarification

ITC supports inclusion of this topic in the scope of the IPE 2018 stakeholder initiative.

Clarifications to the rules regarding election of balance-sheet financing versus continuing pursuit of power purchase agreement opportunities would provide additional information to assist developer decision-making.

9.3 PPA Transparency

ITC supports inclusion of this topic in the scope of the IPE 2018 stakeholder initiative as a means of improving the transparency of interconnection process requirements.

9.4 Increase Repowering and Serial Re-Study Deposit

9.5 Clarify Measure for Modifications After COD

9.6 Short Circuit Duty Contribution Criteria for Repower Projects

9.7 Material Modification for Parked Projects

ITC supports inclusion of this topic in the scope of the IPE 2018 stakeholder initiative. We agree with the CAISO that it is appropriate to restrict work (in this case, a modification request) on a project while it is parked, since that project has had its obligations removed in order to seek TP deliverability in the next allocation cycle, and that this rule should be codified.

10. Additional Comments