

Revised Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this revised template to provide your comments on the Interconnection Process Enhancements Draft Final Proposal for Topics 1 and 2 posted on September 12 and as supplemented by the presentations and discussion during the September 19 stakeholder web conference, and the September 24 amendment to the draft final proposal.

Submit comments to GIP@caiso.com

Comments are due Monday, October 7, 2013 by 5:00pm

Stakeholders are asked to base their comments on all of the following documents:

1. The Draft Final Proposal posted on September 12 which may be found at:

http://www.caiso.com/Documents/DraftFinalProposal_Topics_1-2_InterconnectionProcessEnhancements.pdf

2. The presentation discussed during the September 19 stakeholder web conference which may be found at:

http://www.caiso.com/Documents/Agenda_Presentation-InterconnectionProcessEnhancements-DraftFinalProposal_Topics1-2.pdf

3. Supplemental presentation slides amending the September 12 draft final proposal's approach to downsizing study costs and discussed during the September 19 stakeholder web conference which may be found at:

http://www.caiso.com/Documents/SupplementalPresentation-InterconnectionProcessEnhancements-DraftFinalProposal_Topics1-2.pdf

4. The September 24 amendment to the September 12 draft final proposal which may be found at:

http://www.caiso.com/Documents/Addendum-DraftFinalProposal_Topics_1-2_InterconnectionProcessEnhancements.pdf

Based on all the documents referenced above, please provide your comments on each of the topics listed below.

Topic 1 – Future downsizing policy

Please select one of the following options to indicate your organization’s overall level of support for the proposal on Topic 1:

1. Fully support;
2. Support with qualification; or,
3. Oppose.

If you choose (1) please provide reasons for your support. If you choose (2) please describe your qualifications or specific modifications that would allow you to fully support the proposal. If you choose (3) please explain why you oppose the proposal.

PG&E fully supports the draft final proposal addressing future downsizing policy, as amended on September 24. While PG&E would still prefer that downsizing requests be limited to a maximum 75% (e.g., a project could cumulatively downsize to 25% of the original request), PG&E supports the draft final proposal, as amended, because of the following specific modifications made by the CAISO to the straw proposal:

- (a) the draft final proposal requires generators to fully commit to a downsizing request upon the request window closing, and
- (b) the CAISO’s amendment to the draft final proposal aligns the true-ups of financial postings with the CAISO’s existing general practice of making such true-ups at the next posting rather than an immediate reduction in postings already made.

PG&E believes these two changes have created a much more balanced proposal that maximize the flexibility afforded to generators while reducing the incentives to game the process for generators and keeping the proposal aligned with reassessment practices. Specifically, the first modification reduces our concern about the 75% threshold because it forces generators to only submit serious requests, rather than submitting a request in order to preserve a future downsizing option. The second modification keeps true-ups in line with current reassessment practices and also reduces the likelihood that generators will use the downsizing tool as a mechanism to reduce the at-risk money for long term “queue squatting” activities, or to game the intent of financial security postings by downsizing prior to a planned termination solely to seek a reduction in the at-risk money prior to termination.

PG&E's support for the draft final proposal is conditioned on the preservation of both of these two features. If either is removed or modified, PG&E's position may change.

With respect to the CAISO's modification to the calculation methodology used to determine a downsizing generator's share of actual study costs, PG&E understands and supports the change in methodology.

Topic 2 – Disconnection of completed phase(s) of project due to failure to complete subsequent phase

Please select one of the following options to indicate your organization's overall level of support for the proposal on Topic 2:

1. Fully support;
2. Support with qualification; or,
3. Oppose.

If you choose (1) please provide reasons for your support. If you choose (2) please describe your qualifications or specific modifications that would allow you to fully support the proposal. If you choose (3) please explain why you oppose the proposal.

PG&E fully supports the draft final proposal.