

November 13, 2018

Chair David Olsen Governor Ashutosh Bhagwat Governor Mark Ferron Governor Angelina Galiteva Governor Richard Maullin

Re: 2018 IPE Proposal RNU Reimbursement Indexing Proposal

Dear Chair Olsen and Governors Bhagwat, Ferron, Galiteva and Maullin:

Nextera appreciates the CAISO's support of the proposal to index the Reliability Network Upgrades (RNU) reimbursement cap, starting in 2012. As previously stated, enacting this indexing proposal will provide balance by enabling reimbursement amounts to increase concurrently as PTO costs continue to rise. Nextera appreciates the ISO recognizing this issue and providing relief where it is reasonable and fair. Moreover, Nextera looks forward to participating in an open stakeholder process as the CAISO develops the index mechanism.

Nextera commends the thoughtful and thorough process conducted by the CAISO staff in this latest Interconnect Process Enhancements stakeholder engagement, and we look forward to continued work with the ISO and others on these critical issues in Track 4 next year.

Sincerely,

Grant Rosenblum Executive Director, Renewables Development