

Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this 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 subsequent amendments.

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. An amendment to the September 12 draft final proposal's approach to downsizing study costs to be posted on September 23 to the web page for this initiative at:

<http://www.caiso.com/informed/Pages/StakeholderProcesses/InterconnectionProcessEnhancements.aspx>

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.

SCE supports with qualification the proposal for future downsizing policy.

SCE supports the proposal for future downsizing policy to the extent it is ultimately utilized by Interconnection Customers (ICs) to re-scope their projects to such a size which will allow them to move forward towards commercial operation. SCE’s support is rooted in the CAISO’s premise that any adverse impacts to non-downsizing generator(s), including those interconnecting to the distribution system, will be fully mitigated by the downsizing generator(s). Likewise, SCE’s qualified support is based on the fact that the proposal will minimize any adverse impacts on the affected PTO resulting from a downsizing generator. This “no worse-off” principle was at the core of the one-time downsizing window opportunity approved by FERC in 2012, whose design the CAISO has indicated the future downsizing policy “follows closely”.

SCE supports the element of the future downsizing policy proposal that will require downsizing customers to finance: (1) both their pro-rata share of the downsizing study which will be folded-in to the annual GIDAP reassessment process and the full costs for amending their GIAs; and (2) the costs of upgrades that their full size projects trigger if projects in the same or later queue are dependent on such upgrades being built for the respective project(s). Integrating the annual downsizing evaluation into the annual GIDAP reassessment, without creating a separate study process, is also desirable from a workload management perspective of both the CAISO and PTO transmission planners. Finally, SCE supports the proposal that an IC seeking to downsize its projects must be fully committed to doing so once the downsizing request window has closed.

In order for SCE to fully support the future downsizing policy proposal, several modifications are required. First, although downsizing ICs with existing GIAs will be required to amend their GIA to conform with current tariff provisions relating to time in queue and project suspension (i.e. no extension to length of time in queue and forfeiture of any suspension rights),

downsizing ICs should also be required to post financial security and meet meaningful milestones within a certain time period to demonstrate their serious commitment to progressing towards commercial operation. Absent this requirement, downsized generators could potentially remain idle in the queue without moving forward at their reduced size. Second, the MW reduction of a downsizing project should be reflective of market realities related to the ability, or lack thereof, to secure a PPA for the energy output of the full-size project or unexpected shortcomings related to licensing/permitting of the project. The need for some degree of discipline around the reduction in project size, such as through the IC's demonstration of a rejection of a license or a PPA for a smaller amount than the MW capacity of the project at its full size, would be useful to guard against "gaming" of the downsizing opportunity for some reason beyond being able to move forward with a smaller-scale project.

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.

SCE fully supports the proposal regarding disconnection of completed phase(s) of project due to failure to complete subsequent phase.