

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 **Addendum #2 to the Draft Final Proposal** posted on December 21, 2018.

Submit comments to InitiativeComments@CAISO.com

Comments are due January 11, 2019 by 5:00pm

The Addendum #2 to the draft final proposal posted on December 21, 2018 and the presentation discussed during the January 3, 2019 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.

7. Interconnection Financial Security and Cost Responsibility

In the Addendum #2 to Draft Final Proposal, on page 11, item number 3, CAISO identifies the intention to “retain the GIA as the point at which a PTO becomes responsible for Network Upgrades costs.” This is a change from the prior proposal which changed the milestone to be the third posting of IFS from the Interconnection Customer.

Understandably, CAISO is seeking a compromise between two possibly competing tariff requirements in regards to GIA execution:

1. From the IC standpoint
 - a. Generators had to execute a GIA in order to retain TPD allocation
2. From the PTO standpoint
 - a. The concept of executing a GIA “just-in-time” to begin construction of Network Upgrades

It is the opinion of SDG&E that the proposal to remove the requirement for Interconnection Customers to execute a GIA in order to retain TPD allocation would be a sufficient compromise.

SDG&E would prefer that CAISO retain the third posting of IFS as the Network Upgrade cost responsibility milestone methodology as previously proposed. Similar to the opinions expressed by the other PTOs, SDG&E has experienced situations where developers have executed GIAs and have not proceeded to commercial operation, or have Withdrawn. We believe that having the 3rd posting as the milestone would protect the PTO from potentially less-viable projects.

In addition, on page 15 of Addendum #2, there is mention that a CANU would become a Precursor Network Upgrade when at least one of the prior cluster projects executes a GIA. In that event, later cluster projects with the defined Precursor Network Upgrade would “no longer have cost responsibility for that Network Upgrade.”

Using this example, SDG&E requests that CAISO consider the following proposal - If the prior cluster project with the executed GIA is then Withdrawn, that there would exist an allowance or mechanism for the Precursor Network Upgrade to have its status returned to being a CANU or an ANU.

7.1 Maximum Cost Responsibility for NUs and Potential NUs

10. Additional Comments

