

COMMENTS submitted by Trina Solar US Development, LLC, a Delaware limited liability company 100 Century Center Court, Suite #340, San Jose, CA 95112 (“Trinasolar”) regarding CAISO’S STRAW PROPOSAL:

The ISO has identified the following objectives for this initiative, and requests stakeholder input, especially to help refine these objectives and identify any additional ones that should be included.

1. Integrate the GIP and the TPP as far as possible so that decisions to approve new rate-based transmission can be based on a comprehensive planning approach that addresses all the needs of the transmission system holistically and thereby makes most cost-effective use of ratepayer funding.

Comment: How would CAISO reduce the time for your system study work? Solar developers like Trinasolar would like the total time to be no more than 12 months from the submission of Interconnection Application.

2. Rely more on the TPP and less on the GIP as the venue to identify and approve new rate-based transmission. (FERC highlighted this objective in its transmission planning NOPR and its 2010 decisions on the ISO’s RTPP filing and the Midwest ISO’s transmission planning filing, specifically in the context of its discussion of the public policy-driven category of transmission projects.)

Comment: TPP should look into minimizing infrastructure improvement costs because it is a lengthy and expensive process which, due to its uncertainties, may result in a developer delaying or having to cancel the development of a particular PV project.

3. Provide incentives through appropriate cost allocation for developers of new resources to select the most cost effective grid locations for interconnection.

Comments: Project developers welcome this and would like to see the implementation of this item in next three months.

4. Limit the potential exposure of transmission ratepayers to the costs of building transmission additions and upgrades that are inefficient or under-utilized.

Comments: What process are you proposing to do so that your objective to reduce the cost is met to ratepayers as well as project developers?

5. Provide greater certainty to developers of new generation resources that the network upgrades they need will be approved for siting by the CPUC or other siting authorities, by utilizing the ISO’s collaboration with the CPUC on portfolio development and the TPP study process to support the need for these upgrades. One key aspect of the revised TPP that is relevant to this objective is the least regrets approach for identifying policy-driven upgrades based on finding the upgrades needed in multiple feasible resource scenarios.

Comments: Project developers welcome this and would like to see some results in next three months or proposed process for stake holder to comment on. Project developers would like a simplified process so CPUC and CAISO recommendations are coordinated as one process.

6. Provide greater transparency for all stakeholders regarding transmission upgrade decisions.

Comments: Project developers welcome this initiative and would like to participate in the decision process, and in particular Trinasolar anticipates commenting upon any proposed process or procedure seeing comments from stake holders.

7. Resolve several previously identified GIP issues. The ISO has identified the following list of issues for consideration in this initiative, and requests stakeholder input as to whether any additional previously-deferred issues need to be included in the scope of this initiative.

a. Clarify how an IC's funding and posting requirements will be affected when GIP-driven upgrades are modified through the TPP.

Comment: This is very critical item for developers and please provides specific dollar value as well as time line for cost to be paid in advance by the developer and time frame of reimbursement.

b. Allow for a plan of service "re-study" process whereby network upgrade needs can be re-evaluated when earlier ICs drop out of the queue. A related issue is whether the GIP Phase 1 cost cap for an IC should be over-ridden in cases where the re-study results in increased cost of network upgrades.

Comment: Avoid any cost increase because more and more project may drop out and CAISO may lose valuable time.

c. Disposition of funds from ICs that drop out of queue (ISO has accumulated \$20 million in such funds, far beyond expectations when the current allocation principle was adopted).

Comment: No comment

d. Whether IC project development milestones should be allowed to substitute for IC financial postings, and when posted funds should be required to cover upgrade development expenditures.

Comment: Yes, this policy will enable development and add efficiencies to the process.

e. How to better control or manage the unrealistic volumes of capacity entering the queue. In particular, how to modify Phase 1 study methodology to yield reasonable cost caps for IC projects. The original high entry bar was lowered to facilitate entry, but then resulted in a huge volume in cluster 4.

Comments: The CAISO should consider requiring a payment of a penalty to those potential IC projects which drop out of the queue, as well as all require payment for all expenses incurred for staff time. Thus a revised process would permit serious players to remain committed, and in fact are encouraged, to participate in IC process without undue delay or unfair treatment.

f. Design a study process that will yield meaningful results (particularly Phase 1 cost caps) when the volume of MW in the cluster is drastically excessive.

Comment: Concur

g. Whether to allow additional opportunities in the GIP for ICs to downsize their projects before executing the LGIA. To the extent the interconnection request of an IC's project cannot be met through the TPP plan and requires additional network upgrades, the IC will be required to fund a share – or potentially all – of the additional network upgrade costs and will NOT be reimbursed by ratepayers. Comparable to the existing merchant transmission model in the tariff, such funding by the IC would entitle the IC to an allocation of congestion revenue rights (CRRs) reflecting the incremental capacity added to the ISO grid by the upgrades.

Comments: Allow downsize or alternate location or GIP connection. If cost goes up dropout rate for developers may increase as developer may not afford extra cost.