



Briefing on American Recovery and Reinvestment Act Projects

Phil Pettingill
Director of Regulatory Affairs

Board of Governors Meeting
General Session
September 9, 2010

American Recovery and Reinvestment Act of 2009 (ARRA)

- \$20 billion in tax incentives and direct grants aimed at encouraging development of renewable energy
 - Must begin construction by December 31, 2010
- \$8.5 billion in loan guarantees
 - Must begin construction by September 30, 2011
- Of the 271 renewable energy projects in the ISO interconnection process, 44 in-state projects totaling 10,422 MW are candidates for ARRA funding

Federal and State Coordination and Collaboration

- Renewable Energy Policy Group
 - Governor's Office, Department of the Interior
 - The ISO, State, and Federal agencies actively participate in monthly meetings
- Main Objectives
 - Coordinate and expedite the review and approval of renewable energy projects seeking stimulus funding that require construction to begin by December 31, 2010
 - The Governor's office is closely tracking 21 ARRA renewable projects totaling 8,255 MW
 - 13 totaling 5,976 MW may meet deadline
 - 8 totaling 2,279 MW unlikely to meet deadline

Federal and State Coordination and Collaboration (continued)

- Renewable Energy Action Team
 - Bureau of Land Management, US Fish and Wildlife Service
 - California Department of Fish and Game, California Energy Commission
 - The ISO actively participates in weekly meetings
- Objectives
 - Day-to-day policy, operations and management of project siting
 - Develop in-lieu fee mitigation program consistent with SB 34 requirements

ISO Completed Efforts

- Temporary waiver of financial security deposits
 - Applies to transition cluster projects where PTO agrees to upfront fund transmission upgrades
 - Helps developers close financing and enhances ability of ARRA projects to meet deadlines
 - Approved by FERC on August 13, 2010
- Collaboration with participating transmission owners
 - Acceleration of transition cluster studies and reports
 - Coordinated effort to complete interconnection agreements
- Published technical bulletin offering one-time assessment of deliverable partial capacity – August 30th