

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE
STATE OF CALIFORNIA**

Order Instituting Rulemaking on the
Commission's own Motion to Improve
Distribution Level Interconnection Rules
and Regulations for Certain Classes of
Electric Generators and Electric Storage
Resources

R.11-09-011
(filed September 22, 2011)

**COMMENTS OF THE INDEPENDENT SYSTEM OPERATOR CORPORATION
ON ORDER INSTITUTING RULEMAKING**

The California Independent System Operator Corporation ("ISO") submits the following comments to the Order Instituting Rulemaking ("Distribution Interconnection OIR"). As the Commission is aware, the ISO has participated in precursor efforts (workshops and preliminary "settlement negotiation sessions") conducted by Energy Division, IOUs and various interested stakeholders that predate the Distribution Interconnection OIR. The ISO expects to continue to participate in the rulemaking, due to the interrelated issue of deliverability for generation interconnecting on the distribution grid and ISO's generation interconnection and activities for the ISO-controlled grid.

The ISO notes that it has conducted a stakeholder process with the investor owned utilities (IOUs), in their roles as Participating Transmission Owners, and numerous other stakeholders in 2010 to evaluate issues relating to interconnection to the ISO controlled grid and FERC-jurisdictional portions of the IOU grids. A primary reason for this effort was the recognized need to align processes around engineering realities, timelines, and constraints when it came to attempted interconnection of various proposed generation facilities to a distribution and high-voltage transmission grid when, in many aspects, these grids functionally operate as one system. The outcome of this effort was an ISO revision of the ISO electric tariff Appendix Y (Generator Interconnection Procedures), as

well as corresponding actions by each of the IOUs to align their Wholesale Access Distribution Tariffs and study processes with the processes developed in the overall stakeholder process conducted by the ISO.

The ISO encourages the Commission to build upon such efforts in scoping and conducting this proceeding. In this regard, a core function of the previous ISO and IOU effort was an inventorying and analysis of core engineering activities, timelines, and study deliverables necessary to achieve full capacity deliverability status which stakeholder interconnecting generators require. The ISO respectfully submits that reference to the prior efforts to build upon that work is especially important and beneficial given the aggressive timeline which the Distribution Interconnection OIR sets for completion of such consequential work.

The ISO looks forward to working with the Commission, IOUs, and other stakeholders in this proceeding.

Respectfully submitted,
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