



Iberdrola Renewables appreciates the opportunity to comment on the CAISO's June 30, 2011 "Generation Interconnection Procedures Potential Revision to Cluster 4 Study Methodology".

General Comments

Iberdrola Renewables understands the CAISO's desire to take action to ensure the interconnection queue reflects a more realistic view of renewable generation that will move forward to construction and the resulting requirements for network upgrades. In light of the CAISO's current interconnection queue volumes, Iberdrola Renewables would be supportive of the CAISO's exploration of options to facilitate queue participants' withdrawal to allow the CAISO to move forward with a more realistic volume of generation requests. The Bonneville Power Administration is experiencing a similar issue with regard to what is believed to be an inflated open season queue and is exploring options that would provide recent queue entrants a one-time opportunity to withdraw without penalty or cost. While Bonneville's system cannot be directly compared to the CAISO, the general concept is similar and may facilitate the ability to plan for a more rationale expansion of the grid.

Cluster 4 Study Methodology

Iberdrola Renewables supports the CAISO's proposed methodology for evaluation of the Cluster 4 projects – if it was implemented in a manner that was disconnected from the other Clusters. Iberdrola Renewables is concerned that as currently proposed, the CAISO's methodology may unfairly impact remaining Clusters and may also create improper incentives for projects to remain in the queue. As such, Iberdrola Renewables recommends the CAISO keep the Phase II processes for Cluster 3 and Cluster 4 separate to avoid discontinuity and the resulting unintended consequences.