

**COMMENTS OF RECURRENT ENERGY
ON THE CAISO DRAFT FINAL PROPOSAL
FOR GENERATOR INTERCONNECTION PROCESS REFORM**

Recurrent Energy submits the comments below to the CAISO's July 20th "*Generator Interconnection Procedures – Draft Final Proposal*" ("Proposal"), and the July 27th stakeholder meeting to discuss it. The Proposal contains the CAISO's latest proposal to revise the Small Generation Interconnection Process (SGIP) process, and combine it with the Large Generator Interconnection Process (LGIP) to form one Generator Interconnection Process (GIP).

Recurrent Energy is a distributed power company and a leading provider of solar energy, through both on-site and stand-alone facilities. Recurrent builds, owns, and operates solar generating systems worldwide, providing clean electricity at competitive prices. We have Interconnection Requests in both the SGIP and LGIP interconnection processes, so we view the CAISO Proposal from the perspectives of both "large" and "small" developers.

Recurrent supports most of the key elements in the Proposal. Our comments focus on the CAISO Proposal element related to the SGIP "Serial Group" qualification criteria, i.e., which current SGIP projects will be allowed to continue and complete the interconnection study and agreement process under the current SGIP rules.

The Proposal states that only SGIP projects with completed applications and executed SIS Study Agreements before July 30th, 2010 would be included in the Serial Group. However, Recurrent strongly urges the CAISO to change this proposal, for fairness and equity reasons.

Specifically, any projects with completed applications in the SGIP prior to July 30th should be allowed to continue on through the SGIP. We understand that the CAISO wants to keep the Serial Group small, in order to complete those studies in a timely manner, but that is no excuse to change the rules mid-stream for projects already in the process. Developers have committed considerable resources for many of these projects, and they may have already made commitments relying in good faith on the SGIP timelines, e.g., ordering equipment and/or executing PPAs.

At the very least, the CAISO should include projects in the Serial Group that are now in the SGIP and **should** have reached the SIS Agreement point by July 30th, i.e., those with completed Interconnection Requests dated in time to have received and executed SIS Study Agreements by that date, per the timelines in the Tariff. Recurrent and other developers have projects in the SGIP with valid IRs that have been waiting months for Feasibility Study results and/or SIS Agreements, and it would be unjust and unreasonable to penalize them for CAISO or PTO delays that were completely out of their control.

The CAISO should avoid a fight at FERC on this point and make this common-sense change.