

Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this template to provide your comments on the 2015 Interconnection Process Enhancements (IPE) Draft Final Proposal that was posted on July 6, 2015 and as supplemented by the presentation and discussion during the July 13, 2015 stakeholder meeting.

Submit comments to InitiativeComments@caiso.com

Comments are due July 27, 2015 by 5:00pm

The Draft Final Proposal posted on July 6, 2015 may be found at:

http://www.caiso.com/Documents/DraftFinalProposal_InterconnectionProcessEnhancements-2015.pdf

The presentation discussed during the July 13, 2015 stakeholder meeting may be found at:

<http://www.caiso.com/Documents/Agenda-Presentation-InterconnectionProcessEnhancements2015-DraftFinalProposal.pdf>

For each topic that was modified in the Draft Final Proposal please select one of the following options to indicate your organization's overall level of support for the CAISO's proposal:

1. Fully support;
2. Support with qualification; or,
3. Oppose.

If you choose (1) please provide reasons for your support. If you choose (2) please describe your qualifications or specific modifications that would allow you to fully support the proposal. If you choose (3) please explain why you oppose the proposal.

Topic 1 – Affected Systems**Topic 2 – Time-In-Queue Limitations****Topic 3– Negotiation of Generator Interconnection Agreements****Topic 10 – Forfeiture of Funds for Withdrawal during Downsizing Process**

Although the CAISO has only requested comments on the above topics, sPower feels Topic 10 has not been adequately considered from the developer standpoint by the CAISO. During the 7/13/2015 stakeholder call discussion on this topic, the CAISO suggested it would evaluate further written comments, however. sPower feels that the CAISO has gone above and beyond a simple “clarification” to existing tariff language as stated in the Issue Paper/Straw Proposal. The resulting proposed tariff language has, by the CAISO’s own admission, flip-flopped the interpretation of the tariff to be decidedly pro-PTO and anti-developer.

The original topic 10 was to simply clarify *when* the developer could withdraw from the queue following a submittal of a downsizing request; the supporting documentation proposed the developer must stay in the queue until completion of the study process. The logic provided was that it “allows time for the technical analysis needed to determine which Network Upgrades are still necessary for remaining Interconnection Customers”. The other intent was stated to avoid developers from withdrawing after downsizing validation but prior to study completion. What resulted from this stakeholder process was that the CAISO declared that the downsizing process can not be used as a means to reduce the forfeiture of IFS. ***This is above and beyond the stated intent of the topic as presented in the Issue Paper.***

The CAISO admitted on the 7/13 call to allowing developers to withdraw post-downsizing study at the downsized MW capacity in the previous two downsizing windows. No advance notice was given prior to the most recent (10/2014) downsizing window that this change (the CAISO calls it a clarification, but since there is precedent it is clearly a change in procedure) was coming. Development companies like sPower made financial decisions valued at millions of dollars based on the existing tariff language and precedent of treatment of this issue. To change it mid-stream is extremely unfair and burdensome to development community.

If this tariff language is included as proposed, it is a dangerous precedent to any developer considering doing business in California with the CAISO. It tells them the rules can be changed at any time throughout the process regardless of the impact to the businesses it affects. It tells them the CAISO can suddenly require millions of dollars to be provided to the PTO, even when the PTO has not incurred those costs, because the CAISO changed their mind on an issue.

Numerous proposals were made to the CAISO by sPower and others that would have allowed for the original intent of Topic 10 to be met, and would not require the PTO to take on any additional NU costs, nor require forfeiture of large sums of IFS by the developer. All were dismissed based on the CAISO's "belief" or "intent" that downsizing is not meant to be used for reducing forfeiture of IFS, which CAISO clearly was allowing previously. That explanation does **NOT** match the original intent of topic 10. As such, and for the reasons previously stated by sPower in previous comments, if the CAISO is not willing to consider any intermediate positions on this subject sPower must strongly oppose this topic.