

August 24, 2011

**CAISO Board of Governors** 250 Outcropping Way Folsom, CA 95630

Re: Generator Interconnection Procedures - Phase 2 (GIP2)

Dear Governors,

Ormat Technologies, Inc. is pleased to take this opportunity to voice its support for the GIP2 enhancements on the agenda for adoption by the Board tomorrow. In response to a very challenging environment for generator interconnection, the ISO has done an excellent job in developing consensus over a wide variety of issues identified by stakeholders and putting together a responsive proposal. Ormat encourages the Board to approve the GIP2 tariff changes.

Of particular concern to Ormat is Item number 7 which clarifies the procedures for existing generating resources to convert from QF status or re-power and facilitates the maintenance of resource deliverability when repowering or reconfiguring. The proposal Ormat submitted on this issue¹ formed the basis for the final proposal and, if adopted, will help simplify the process and encourage renewable generation owners like Ormat to upgrade or repower facilities to more effectively serve California consumers. The Board should approve the recommended provisions without change.

Sincerely.

Bob Sullivan.

VP Business Developmeent

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<sup>&</sup>lt;sup>1</sup> The Board memo incorrectly attributes that proposal to GenOn and a proposal for "behind the breaker" expansion made by CalWEA to Ormat.