

Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this template to provide your comments on the Interconnection Process Enhancements Scoping Proposal posted on April 8 and supplemented by the presentation discussed during the April 22 stakeholder web conference.

Submit comments to GIP@caiso.com

Comments are due April 30, 2013 by 5:00pm

The Scoping Proposal posted on April 8 may be found at:

<http://www.caiso.com/Documents/ScopingProposal-InterconnectionProcessEnhancements.pdf>

The presentation discussed during the April 22 stakeholder web conference may be found at:

http://www.caiso.com/Documents/Agenda-Presentation-ScopingProposal-InterconnectionProcessEnhancementsApr22_2013.pdf

Part 1

Please provide your feedback on the 12 topics initially proposed to be in scope in the April 8th Scoping Proposal by responding to the following:

1. If you believe that one or more of these 12 topics should not be in scope, identify those and provide a detailed explanation of why

- **Issue #12 – Consistency of suspension definition between serial and cluster:** The CAISO has proposed to make revise suspension provisions for Serial Group projects to make suspension:
 - Be limited to “3 years from when the IR was received”
 - Apply only to “PTO upgrades” that do not impact other projects
 - Not provide “a day-for-day delay of project”
 - Not apply to SGIsAs.

AES Solar (AESS) does not believe that this issue should be included in the IPE scope, because this change:

- **Would apply to only a limited number of agreements.** The CAISO clarified that already-executed GIAs would not be affected by any change.
- **Could be counter-productive.** As noted on the stakeholder conference call, proposing to apply this significant change to suspension rights for projects already in GIA negotiations or far along in the process would:
 - Be controversial and contrary to past CAISO precedent (and thus likely to raise the suggested “Low” effort-level estimate); and
 - Probably impede, not encourage, conclusion and execution of those agreements.

2. If you believe that the description of a topic (i.e., one of the 12) is not accurate, provide your preferred description of the topic – No Comments

Part 2

Please select five topics of greatest importance to you from (i) the 49 topics included in the April 8th Scoping Proposal and (ii) any additional generation interconnection process related topics not already included in the 49 topics, and rank them in order of importance using the table provided below (a rank of “1” being most important). Note: Numerical rankings are informative but the detailed explanations you provide below the table will be critical for the ISO as we assess the scope of this initiative.

Top 5 topics selected by stakeholder

Topic No. (if one of the 49 topics; otherwise use N/A)	Topic Name (either the topic name used in the Scoping Proposal or, if a new topic provide your own name for the topic)	Rank
2	Disconnection of first phase of project for failure of second phase	1
1	Future downsizing policy	2
3	Clarify tariff and GIA provisions related to dividing up GIAs into multiple phases or generating projects	3
		4
		5

Detailed explanations

1. Provide a detailed description of each topic. Use the topic description in the Scoping Proposal if you believe it is an accurate description of the issue; otherwise provide your preferred description of the topic. For new topics, provide your own detailed description.

The above items are all current items in the Scoping Proposal, and AESS does not object to retention of those descriptions. However, AESS notes the high degree of overlap between these three items – they all relate to providing additional flexibility to developers to restructure and right-size projects after submission of the Interconnection Request (IR). This flexibility is needed due to the increasing time for the CAISO to complete interconnection studies as well as time to permit projects and secure off takers for the energy. For example, such flexibility could be provided through:

- Issue #1, which includes explicit project downsizing opportunities through downsizing windows/studies or elections in the regular study process;
- Issue #2, which would allow a project to retain a GIA if all project phases are not built; and/or
- Issue #3, would allow developers to split projects into multiple phases and/or GIAs, which presumably would give them the ability to “downsize” through withdrawal of one or more of any resulting separate projects from the interconnection queue.

Because of the high degree of overlap, AESS believes that it might be more efficient for the CAISO to combine these three items and address them as a single comprehensive topic.

2. Provide a detailed explanation of the rationale for your selection of these five topics and your rankings

AESS believes that developers need more flexibility to adjust their project structure and size after Interconnection Requests (IRs) are submitted, and in some cases after IA's are executed as long as the impacts on other projects are mitigated. Generally we believe that the mitigation to other projects would be satisfied through full funding of Network Upgrade financial obligations, even if the scope and size of a IR or IA was reduced. Transmission construction has a longer lead time than nearly any other generation-project activity (e.g., longer than PPA acquisition, permitting, or financing), so IRs generally must be submitted very early in the development process, and the ability to restructure and/or downsize generation projects later is critical to project success.

AESS believes that the approach in Item #2 is the most straightforward, and it is the highest priority for AESS given its current project mix. Contrary to the CAISO claims on the stakeholder conference call, the CAISO has not clarified this issue at all. For example, Management stated at the Board meeting during the Generator Project Downsizing Study discussion that it would only use this option as a "last resort" and that it was "reluctant" to do so, but it has consistently insisted on its right to exercise this option and failed to clarify the conditions under which it would do so. The time has come for a clear and concise statement from CAISO Management on this topic.

3. Identify which of the 12 topics initially proposed to be in scope you recommend your selected topics should replace

N/A – all topics selected are already in scope.