

Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this template to provide your written comments on the 2018 IPE stakeholder initiative **Addendum #2 to the Draft Final Proposal** posted on December 21, 2018.

Submit comments to InitiativeComments@CAISO.com

Comments are due January 11, 2019 by 5:00pm

The Addendum #2 to the draft final proposal posted on December 21, 2018 and the presentation discussed during the January 3, 2019 stakeholder meeting can be found on the CAISO webpage at the following link:

<http://www.caiso.com/informed/Pages/StakeholderProcesses/InterconnectionProcessEnhancements.aspx>

Please use this template to provide your written comments on the Issue Paper topics listed below and any additional comments you wish to provide. The numbering is based on the sections in the Issue Paper for convenience.

7. Interconnection Financial Security and Cost Responsibility

7.1 Maximum Cost Responsibility for NUs and Potential NUs

Avangrid appreciates the CAISO's responsiveness to developer's concerns and the adjustments and clarifications made in the Second Addendum to the Draft Final Proposal. Specifically, Avangrid supports the following changes:

- Adjusting the MCE downward in the same manner as the MCR;
- Assigning CANUs an allocated cost in the phase I study rather than 100% in Phase 1 as was proposed previously;
- Returning the milestone at which the PTO becomes responsible for network upgrades back to GIA execution;
- Clarifying how prior and future clustered projects will be impacted by the proposed changes; and
- Strengthening definitions and clarifying existing processes.

10. Additional Comments

While Avangrid is appreciative of the improvements to the proposal, we still have some concerns. It is still unclear what problem the CAISO is attempting to solve and what is driving the need to change the existing policies for cost responsibility. It appears the CAISO is making policy changes to address potential events that are rare in occurrence and unquantified.

Avangrid recommends the CAISO proceed with the proposed definitions for clarity but evaluate the impact of the other significant changes proposed by the CAISO (pending FERC approval) to the interconnection processes prior to making changes to existing policy for cost responsibility and financial security. The other proposed changes may address challenges with queue management to the extent these additional changes are not needed.