

## Template for comments

Please use the template below to submit comments to the CAISO. Comments are due by close of business Thursday, January 27, 2011 to [gmc@caiso.com](mailto:gmc@caiso.com).

### **Stakeholder Comments Template** **Subject: 2012 GMC Cost of Service Straw Proposal**

<b>Submitted by (Name and phone number)</b>	<b>Company or Entity</b>	<b>Date Submitted</b>
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The City and County of San Francisco (CCSF) appreciates this opportunity to comment on the CAISO's January 20, 2011 Presentation to Stakeholders on its latest 2012 GMC proposal. Specifically, CCSF addresses the 2012 GMC proposal's treatment for transactions utilizing TORs.

CCSF has actively monitored the stakeholder process examining the CAISO's 2012 GMC proposal and supports the Comments submitted by the Modesto Irrigation District on November 24, 2010 addressing treatment of TORs. The latest CAISO proposal (January 20, 2011 Presentation at page 7) setting forth changes from the initial Straw Proposal now excludes TOR transactions from application of any Market Operations charges. Further, it proposes to continue the current discounted rate to TORs holders in recognition of the reduced impact that transactions utilizing TORs have on the CAISO-controlled Grid. As such, the CAISO proposes to continue the discounted rate in its application of System Operations Charges to transaction utilizing TORs.

CCSF strongly supports these proposals. The current discounted rate for TOR transactions appropriately recognizes the lesser impact of TOR transactions on Core Reliability Services as compared to those utilizing the CAISO-controlled grid facilities. Recognition that TOR transactions have less impact on CAISO operations gave rise to the current discounted

rate. Accordingly, the TOR credit appropriately applies cost causation principles to the new GMC design and should continue for the term of the new GMC.

CCSF looks forward to seeing further detail comparing today's discounted rate with that proposed under the 2012 GMC design. Since the newly proposed System Operations Charge represents a different collection of cost components than the current charge code, it is important that the CAISO provide a clear comparison between its new proposed rate and the current rate.