

Stakeholder Comments Template

Submitted by	Company	Date Submitted
Madeleine Aldridge Sr. Manager - Transmission & Interconnection 415-935-2485 madeleine.aldridge@firstsolar.com	First Solar, Inc.	September 13, 2017

Please use this template to provide your written comments on the stakeholder initiative:

“2017 Expedited GIDAP Enhancements Straw Proposal”

Submit comments to InitiativeComments@CAISO.com

Comments are due Wednesday, September 13, 2017 by 5:00pm

The Issue Paper posted on July 21, 2017, the Revised Issue Paper posted on August 30, 2017, and the presentations discussed during the September 7, 2017 stakeholder meeting can be found at CAISO.com or at the following link:

<http://www.aiso.com/informed/Pages/StakeholderProcesses/2017ExpeditedGIDAPEnhancements.aspx>

Please use this template to provide your written comments on the issue paper topics listed below and any additional comments that you wish to provide.

1. Do you support the Extended Parking straw proposal? And why?

Comments:

First Solar appreciates the CAISO continuing to move this proposal forward, but would like to reiterate several of the points made in our first set of comments to emphasize the importance of this initiative and respond to concerns raised by other commenters. The current procurement landscape has stalled due to uncertainty as the procuring entities await queues from the CPUC’s Power Charge Indifference Adjustment proceeding, the Integrated Resource Planning proceeding, and others. Additionally, because of the misalignment between the

procurement process and required Phase II study results, generators have even less time to market their projects than expected when these new rules first came into play. These unique circumstances justify the need for a fix to the GIDAP, and in particular the parking rules, and First Solar welcomes both this initiative and working with the CAISO to reach a more sustainable, precise solution in the 2018 IPE.

Ultimately, extended parking is in the best interest of ratepayers, as it ensures that these projects that can meet the required milestones to take advantage of the Investment Tax Credit (ITC) are able to offer renewable generation to meet the state's goals at the least cost. Initial modeling results in the IRP proceeding show extensive savings and model for early procurement in advance of the ITC expiration.¹ These projects are more valuable than others later in the queue both because of this ITC eligibility and because they have continued to advance in the development and permitting process and have thus demonstrated viability. The primary impediment to these projects is the competitive procurement process, as we have continued to keep up with permitting, site control, and our financial security postings. First Solar supports the comments made by the CAISO during the stakeholder call on September 7 when questioned about the surety of future procurement, specifically that it is preferable to preserve the viability of these projects in the face of uncertainty rather than render them non-viable and risk the consequences if and when robust procurement resumes in the near future.

However, First Solar continues to believe that the criteria required by the CAISO to be eligible for this second year of parking are too restrictive. First Solar recommends that both proposed conditions be removed or significantly modified. The RA Deliverability Condition fails to capture unresolved questions about the amount of available deliverability. As discussed in First Solar's IPE 2018-2019 suggestions, the Affidavit process has likely significantly inflated the number of projects that should receive or retain deliverability. The CAISO's process lacks the transparency required to allow interconnection customers to know if they are eligible for this second year of parking and thus to make business decisions that are best both for the interconnection customer and for the queue. Beyond the lack of information about current queue conditions, withdrawals and downsizing already constantly change the composition of the queue, posing risks to later queued projects relying on any earlier queued project's upgrades. The limitations proposed by the CAISO do not mitigate any significant risks to later queued projects that are not already inherent to the interconnection process.

¹ Preliminary RESOLVE Modeling Results for Integrated Resource Planning at the CPUC, pg. 46; available at http://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/UtilitiesIndustries/Energy/EnergyPrograms/ElectPowerProcurementGeneration/irp/17/CPUC_IRP_Preliminary_RESOLVE_Results_2017-07-19_final.pdf.

2. Do you support the Interconnection Request (IR) Window & Validation Timelines Straw Proposal? And why?

Comments:

First Solar continues to support this element of the proposal and has no additional comments.