

# **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 Modesto Irrigation District ("MID") thanks the California Independent System Operator Corporation ("CAISO" or "ISO") for the opportunity to comment on topics discussed at the December 13, 2010 stakeholder meeting on 2012 Grid Management Charge ("GMC") projected billing impacts.

At the December 13 meeting, the CAISO discussed that it had two proposals it wished to make with regard to the 2012 GMC. The first proposal is to continue the CAISO's current treatment of SCIDs in the GMC, charging \$1000/month for its SCID fee only if there is any activity on the Scheduling Coordinator's ("SC") invoice. While MID has not favored per-SCID charges, MID appreciates the CAISO's suggestion and believes it is a reasonable compromise.

The second proposal is to exclude transmission ownership rights ("TORs") entirely from the proposed Market Services charge. In addition, the CAISO proposes to exclude TORs from the System Operations charge 50% of the higher of supply or demand. If that is an accurate description of what the CAISO intends, then MID supports the proposal. MID went into detail in its November 24, 2010 comments as to why the GMC rate design should reflect the lower, relative costs of TORs. MID believes that the CAISO's December 13 proposal on TORs better reflects cost causation, and accordingly, MID supports it. However, MID understands that the CAISO intends to put into writing its proposal concerning TORs, and MID reserves the right to supplement or modify its position, if the CAISO's written proposal is different than what MID has noted above, or the proposal is subsequently modified or MID learns new information in the forthcoming stakeholder discussions.