

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 –*

PG&E would prioritize other issues above topics #4, #5, and #12.

With respect to items #4 and #5, PG&E views the Independent Study and Fast Track processes as more applicable to the PTOs' distribution tariffs, given the high minimum operating voltages on the CAISO controlled grid. In addition, PG&E believes these topics will require a high degree of effort, and that CAISO should not pre-emptively make changes to the Independent Study or Fast Track Study Process as part of this initiative. Changes to the Fast Track Study Process should be evaluated in a future stakeholder process addressing CAISO's response to the FERC SGIP NOPR.

With respect to item #12, while we agree with the proposed change, unless the scope is broadened we believe the impact of such change on the overall queue is very limited. Unless CAISO broadens the scope of this topic as proposed below, CAISO should prioritize topics that have a greater impact on improving processes for the overall queue.

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 –*

Topic #12: Consistency of suspension definition between serial and cluster

PG&E recommends the following changes to the scope:

*“Consistency of suspension definition between serial and cluster; **clarification of suspension and notice to proceed provisions in IAs**”*

PG&E supports efforts to reduce opportunities for serial projects to hold speculative queue positions and to align serial processes with cluster processes. PG&E supports the proposed change in principle, but believes that as currently scoped, the impact of such change so limited that PG&E would prioritize other initiatives over this one.

If included in the IPE, PG&E recommends expanding the scope of this initiative to remove the requirement that ICs grant permission of ‘notice to proceed’ on upgrades identified in the Interconnection Agreement. Once an IA is executed, PTOs are expected to meet CODs contained in the IA, but frequently ICs failure to provide notice to proceed hinders PTOs’ ability to complete necessary upgrades on the timeline committed to in the IA. Further, allowing an IC to delay any individual element until it is on the critical path for dependent projects reduces the PTO’s ability to take advantage of opportunities for efficiencies, which can result in a higher cost of Network Upgrades that is borne by the ratepayers. Requiring IAs to request suspension of PTO work through an official suspension of the IA would address this problem.

Moreover, further reform of serial processes is critical to create a more equitable process that is fair to ratepayers and generators overall, as the queue still contains 12.8 GW of pre-Transition Cluster generation, all of which has been in the queue for more than five years and the oldest of which dates back to 1998.

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. <i>(if one of the 49 topics; otherwise use N/A)</i>	Topic Name <i>(either the topic name used in the Scoping Proposal or, if a new topic provide your own name for the topic)</i>	Rank
#6	Provide for ability to charge customer for costs for processing a material modification request	1
#13/43	Coordination with CPUC (and perhaps other LRA) procurement efforts	2
#21/22 (merged)	3 rd IFS Posting Requirements and distribution of forfeited posting amounts	3
#29 (modified)	Expand Study Agreement to allow greater flexibility to charge for a-la-carte services prior to IA execution	4
#17 (modified)	ISO to identify permitting responsibilities for shared network upgrades, including permitting and requirements for standalone network upgrades that are IC-built	5
#37	Affected Systems Coordination	6

Note: PG&E has a substantial number of issues it wishes to have addressed in the IPE; as such, PG&E did not strictly adhere to the request for prioritization of the top 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.*

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Topic #6: Provide for ability to charge customer for costs for processing a material modification request

PG&E supports inclusion of this topic in the IPE and suggests the following modifications to the original description:

The ISO and PTOs are allowed cost recovery from the interconnection customer for the application and study process, repowering request process and limited operation study process. With the expansion of queue management in 2012, the ISO and PTOs analyzed 96 modification requests that have taken significant amount of time and resulted in the hiring of new staff for both the ISO and PTOs. These costs should be reimbursed by the project requesting the modifications. Direct reimbursement would allow the ISO and PTOs to dedicate additional resources to this task and thereby aid in expediting the process, and should also act to discourage non-serious material modification requests.

Topics #13/43: Coordination with CPUC (and perhaps other LRA) procurement efforts

PG&E supports inclusion of this topic in the IPE and agrees with the original description as proposed by LSA.

Topics #21/22 (merged): 3rd IFS Posting Requirements and distribution of forfeited posting amounts

PG&E suggests the following topic description for a merged topic #21 and 22:

This topic will evaluate whether changes can be made to the 3rd Interconnection Financial Security to make it a more reasonable and effective tool to protect PTOs, ratepayers, and other queued projects from stranded costs resulting from terminated or delayed IAs. This track will also evaluate whether current IFS forfeited funds distribution practices are optimized to best protect PTOs, ratepayers, and other queued projects from such stranded costs.

Topic #29 (modified): ~~Expand Study Agreement to allow greater Possible alignment of flexibility to charge for a-la-carte services prior to IA execution recovery of costs related to contract development from cost-causer~~

PG&E supports modifying the study agreement to allow greater flexibility to charge ICs for a-la-carte additional services prior to IA execution, and suggests the following revised description based on feedback from LSA following the April 22 stakeholder conference:

GIP-3 IPE should explore ~~the possible~~ building tools into the study agreement that would allow the flexibility for ~~alignment of~~ recovery of costs related to ~~a-la-carte additional services prior to IA execution~~ ~~contract development~~. The topic would help establish which services are part of standard study and IA negotiation

scope of services, versus what could be provided a-la-carte to generators for a fee prior to IA execution, essentially replacing the need for separate E&P agreements.

Topic #17: ISO to identify permitting responsibilities for shared network upgrades, including permitting and requirements for standalone network upgrades that are IC-built

PG&E supports inclusion of this topic in the IPE, and suggests the following revised description:

This track will develop a document on procedures, roles and responsibilities in coordination with the PTO for IC NU permitting responsibilities where costs are allocated to several projects in a cluster and where each is allocated less than 100% of total NU cost. This track will also address standalone network upgrades that are IC-built, as the permitting of such upgrades have presented particularly complex coordination issues and other challenges for ICs and PTOs to sort through.

Topic #37: Affected Systems Coordination

PG&E supports LSA's proposed topic, and suggests the following revised description:

IPE will evaluate how best to Incorporate affected system upgrade studies into ISO studies and processes, or at least coordinate better between the two (e.g., standard timelines). While CAISO does not have jurisdiction over affected systems, this stakeholder process may result in engagement with affected systems, similar to the CAISO's recent FERC Order 1000 interregional compliance efforts, to develop a joint study process that aligns with the GIP study process. Common processes developed by the coordination would be incorporated into the tariff.

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

Topic #6: Provide for ability to charge customer for costs for processing a material modification request

PG&E supports inclusion of this topic. Material modification requests and contract development negotiations require significant administrative and technical resources to process. In order to protect ratepayers, generators should be responsible for costs associated with the CAISO's and PTOs' work on material modifications and contract development negotiation.

PG&E also believes this issue should be addressed because (a) the material modification request process is currently not well defined by CAISO, frequently

leading to confusion over what needs an material modification request and what is appropriate context for the material modification request, and (b) material modification requests are often used as a stall/delay tactic for IC's, draining PTO staff time and resources that could be better deployed elsewhere. It would be good to tie cost recovery to causation to reduce non serious requests, and to provide PTOs cost recovery that will allow for better service and processing of such requests.

Topic #13/43: Coordination with CPUC (and perhaps other LRA) procurement efforts

While PG&E recognizes coordination with external entities is not entirely within the CAISO's control, PG&E supports better coordination of the timing of interconnection results and procurement activities with the CPUC and IOUs, and believes this issue should be addressed as part of a formal stakeholder engagement effort.

In addition, please see PG&E's suggested topic on study consolidation below. PG&E believes that additional consolidation and predictability of study activities can result in significantly enhanced opportunities for better coordination with statewide procurement efforts.

Topics #21/22: 3rd IFS Posting Requirements and distribution of forfeited posting amounts

PG&E agrees with other stakeholders that 3rd Interconnection Financial Security posting requirements need to be evaluated, and should be done so in the context of their ultimate disposition in the case of project withdrawals. The 1st IFS posting and 2nd IFS posting are appropriate for queue management and should remain unchanged.

3rd posting requirements are extremely difficult to manage, and will be even more so resulting from vague tariff language triggering the 3rd posting combined with increasingly common phasing of new generation. However, On the other hand, upfront funding of 100% of the estimated cost of the Network Upgrades is above and beyond what is necessary to ensure that the PTO can recover its losses if it is already invoicing monthly for incurred costs and a generator stops making payment. Furthermore, due to the significant 1st and 2nd IFS postings and the ambiguity of terms and conditions around the 3rd IFS, it is not an effective tool for queue management, and its ultimate effect can be very minimal. A more consistently applied but potentially smaller 3rd IFS might be a reasonable alternative, provide sufficient protection to ratepayers, PTOs and other queued projects, and still serve its intended purpose.

As mentioned above, re-evaluation of the 3rd IFS cannot occur in a vacuum, and should be reviewed in the context of how forfeited funds are distributed.

Therefore, PG&E proposes to address both in the same topic. PG&E proposes modifying current distribution methodologies as follows:

1. In instances when a generator withdraws after the Second Interconnection Financial Security Posting, and the PTO ends up building the Network Upgrades anyway (as called for in the Phase II Study), currently the PTO essentially picks up the portion of the costs that would have otherwise been upfront funded by the withdrawing generator, shifting the risk of abandonment onto the PTO, and unfairly burdening ratepayers and other generators in the queue cluster with cost for facilities that may not be fully utilized. It would be more equitable to ratepayers and potentially others in the queue if the forfeited funds went toward the general cost of the shared upgrades and the CAISO and scheduling coordinators received whatever remained, if any. This alleviates some or all of the risk shift that occurs under the current tariff.
2. In instances when revised (operational) studies dictate that the scope of the Network Upgrades that were originally called for in the Phase II study be reduced as a result of a generator withdrawal, the ISO and scheduling coordinators could be entitled to a greater portion (or even 100%) of the forfeited funds, much as is done with forfeited funds today.

Topic #29: Expand Study Agreement to allow greater flexibility to charge for a-la-carte services prior to IA execution

PG&E supports inclusion of a modified version of topic #29 (and has specifically modified its proposed topic based on feedback from LSA following the April 22 stakeholder conference). Many IC's have indicated that they would like additional information and detailed engineering above what is included in the current planning studies. We support providing the tools to allow greater flexibility to perform additional analysis at the request and cost of the IC, and potentially even reflect this more detailed information in the Interconnection Agreements. With additional clarity around standard scope of services and a cost recovery mechanism for expanded scope of work, we believe this would help streamline negotiations and allow PTOs to provide better customer service to ICs.

Topic #17: ISO to identify permitting responsibilities for shared network upgrades, including permitting and requirements for standalone network upgrades that are IC-built

PG&E supports including this topic in scope, and recommends expanding it to include permitting requirements for standalone network upgrades that are interconnection customer built, as the tariff is unclear as to the permitting, technical, and maintenance requirements of standalone network upgrades. Developing procedures to address permitting responsibilities for different types of network upgrades, including IC-built standalone Network Upgrades, will

significantly improve the effectiveness and cooperation between PTOs and ICs during the permitting and buildout phase of transmission project development.

Topic #37: Affected Systems Coordination

PG&E supports LSA's proposed topic to be included in the IPE, and we agree this is a critical issue. It is clear that a more robust, inclusive and coordinated process should be established. While CAISO does not have jurisdiction over affected systems, we believe a well-defined process can and should be established under the tariff to ensure that coordination with affected systems is well coordinated and does not result in projects unfairly being held up (either in the negotiation of an agreement or in their commercial operation) by affected systems whose standards processes are not clearly defined. Similar to the process CAISO recently went through with neighboring regional entities to align aspects of each others' transmission planning processes as part of the interregional requirements portion of FERC Order 1000 compliance, PG&E encourages CAISO to commit to working with affected systems to develop a joint study process temporally aligned with the GIP study process, and incorporating agreed upon provisions clarifying affected system coordination both into the tariff.

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

PG&E recommends dropping three issues from the current scope of IPE. They are, in order of preference:

Topic # 5: Improve the Fast Track Study process

PG&E believes CAISO should not make changes to the Fast Track Study Process prior to additional guidance from FERC related to the FERC SGIP NOPR.

Topic # 4: Improve the Independent Study process

PG&E doesn't believe reform of the independent study process should be a high priority at this time. Very few projects go through the process, so the impact is limited, and channeling the vast majority of projects through the cluster study process is good policy, given the substantial interdependencies found on the rest of the queue with even smaller projects.

Topic # 12: Consistency of suspension definition between serial and cluster

While we agree with the proposed change, unless the scope is broadened we believe the impact of such a change on the overall queue is very limited. As discussed above, unless CAISO broadens the scope of this topic CAISO should prioritize topics that have a greater impact on improving processes for the overall queue.

Additional Comments

In response to CAISO's request on page 3 of the scoping proposal for concrete ideas how to address any of the issues identified in the scoping paper, PG&E provides the following comments on the scoping paper and stakeholder call that weren't addressed by our responses to the above questions. We understand the CAISO's objective of keeping the list of "in scope" items manageable, and support keeping the list of issues to a level the CAISO believes are reasonably likely to be addressed within the next 12 months, at which point PG&E recommends revisiting stakeholder priorities and, assuming the situation warrants, launching a new phase of IPE at that time. That said, there's currently a backlog of stakeholder issues relating to the generator interconnection process, and we strongly encourage the CAISO to consider adding another ~3-6 items to the scope of the IPE (or addressing 3-6 additional issues, such as those below, outside of IPE), depending on issue complexity.

PG&E Comments on issues that can be addressed outside of the IPE

The CAISO indicated in its scoping proposal that not all issues identified by stakeholders require consideration as part of the IPE, as not all require tariff amendments. PG&E agrees, and urges the CAISO to address the following issues independent of their inclusion in the IPE stakeholder process(es):

14. Improve process for interconnection customers to be notified of their required amounts of IFS posting	PG&E recommends the CAISO include IFS posting due dates and amounts broken down by category in Phase I and II study reports.
33. (expanded) Test Energy, Commercial Operation, and Full Capacity Deliverability Status Certification	Based on the stakeholder call held on April 22, PG&E understands that the CAISO is now providing written notification of FCDS to generators. PG&E supports this recent development, and recommends expanding such certification to include all key operational milestones that have contractual implications, such as Limited Operation / "Conditional COD", and Energy Only COD. PTOs only have the ability to provide verification of "in-service" or "operative" status for upgrades identified in IAs, not achievement of commercial operation status. PG&E believes such certification will be a low effort issue with strong support from the majority of stakeholders, thus we urge the CAISO to address this issue.

(New) Study consolidation and harmonization	<p>PG&E has observed a recent trend away from consolidated study result releases (cluster studies and downsizing, for example). We believe significant process enhancements could be made by adhering to a policy of complete harmonization of all studies (for example, updating upgrades resulting from tariff flexibility around phasing or downsizing) with GIP and TPP study processes, so that restudies are only conducted in concert with annual base case validation or as part of the Phase I or Phase II studies in the annual GIP cluster windows, and all activities and results are released at the same time results from these studies are released.</p> <p>PG&E believes this will make for a process that creates better results, is more efficient, more transparent, and reduces upgrade dependencies and uncertainties for generators and the CAISO/PTOs as all parties seek to move forward with interconnection agreement negotiation and execution. In addition, having a standardized results schedule will help facilitate better coordination with CPUC and LSE procurement activities, as solicitations can be better timed to coincide with semi-annual / annual study results being released.</p>
Reform of GIP reliability and deliverability study methodologies	<p>PG&E is supportive of providing additional training to stakeholders outside of GIP 3, including CAISO's "plans to post a technical paper in July 2013." PG&E sees substantial value in providing more transparency to stakeholders on how the deliverability methodologies are applied.</p> <p>While PG&E does not support changes to the existing methodologies determining project deliverability allocations, PG&E believes current processes to determine whether delivery network upgrades are classified as 'area' or 'local' should be better defined via the technical paper (and, as noted below, via the BPM). PG&E notes that Dr. Songzhe Zhu's testimony in CAISO's GIDAP tariff filing¹ provides additional detail as to the methodology, but that this methodology is not fully fleshed out, nor has it been articulated in the tariff, BPM or in a technical bulletin. PG&E recommends that the technical paper address Dr. Zhu's testimony in more detail. For example, the technical analysis by which CAISO determines which delivery constraints are 'local' versus 'area,' what constitutes a 'few buses electrically close to each other', a 'substantial number of generators' impacted by a constraint, a 'high cost of upgrades', etc.</p> <p>PG&E also notes this topic can be further addressed through clarification in the draft GIDAP BPM, and PG&E intends to provide such comments in the next round of stakeholder feedback on the BPM.</p>

¹ <http://www.caiso.com/Documents/May252012GIDAPAmendmentER12-1855pdf.pdf>

IA Negotiation Prioritization and COD Flexibility Option	<p>Based in part on feedback from LSA, PG&E recommends that CAISO evaluate whether to ask generators whether their COD is flexible or firm, and at what stage this question should be asked, to assist with initial construction sequencing timelines (if applicable) during the final stages of the Phase II study process. Generators with firm dates might then be sequenced first, while generators with flexible dates might be able to postpone what would otherwise be earlier Phase III start of construction milestones.</p> <p>In addition, while adhering to the overall IA negotiation tariff requirements, PG&E recommends that generators be asked at the Phase II results meeting whether IA negotiation is on an urgent or normal track, for appropriate PTO resource allocation.</p> <p>Generators can trade a higher priority in the queue for additional time in which to negotiate the IA and/or make the 3rd IFS while they work on project development.</p>
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PG&E comments on the 12 topics initially proposed to be in scope and not addressed above:

Topic #1: Future Downsizing Policy

PG&E recognizes the commercial benefits of providing a permanent downsizing mechanism, and believes further evaluation and discussion of this topic is warranted. However, PG&E is concerned about the potentially significant disruptions and unintended consequences that downsizing can potentially create for the rest of the queue, queue management processes, and PTO cost responsibility for orphaned upgrades.

PG&E would be open to considering a controlled process that incorporates the following features and therefore recommends that any downsizing policy considered have the following characteristics to minimize disruption to existing processes and to protect ratepayers and the PTOs from cost exposure risk:

- a) submittals would occur annually during the queue cluster submission window,
- b) downsized generators are studied in a fully integrated way with the annual GIP study process,
- c) generators are required to commit to a specified downsized size at the time of application in order to preserve the integrity of cluster study results,
- d) generators are charged an adequate fee to cover the annual study, administrative costs, and staff time ,

- e) each project is limited to a single opportunity to downsize, and
- f) the “Hold harmless” principle must be upheld; e.g., generators must continue to bear the cost responsibility for any upgrades required as part of subsequent queue cluster base cases (in other words, an upgrade cannot simply be ‘shifted’ to a subsequent cluster or to the PTO; it must completely go away for it to qualify for removal).

PG&E would also be open to considering an accelerated downsizing process outside of the cluster study process for generators who agree not to seek removal of network upgrades from their interconnection agreements. In order to protect ratepayers, generators must also agree not to seek cost reimbursement for stranded network upgrades.

Topic #2: Disconnection of first phase of project for failure of second phase

PG&E recognizes the contractual and financing issues such a risk presents generators with, and is open to considering ‘safe harbor’ provisions for built phases of projects provided the constructed phases meet all financial and other material obligations of the entire interconnection agreement.

PG&E is not supportive of scenarios where partial termination of an LGIA could result in orphaned network upgrades required for subsequent queue clusters that the PTO must backstop-finance or that otherwise negatively impact ratepayers.

Topic #3: Clarify tariff and GIA provisions related to dividing up GIAs into multiple phases or generating projects

PG&E recognizes the benefits that additional phasing flexibility can create for generators and procurement programs, but also recognizes the serious logistical issues in contract management and transmission build out that excessive flexibility creates. PG&E is open to a reasonable degree of additional phasing flexibility and suggests the following criteria:

- a) ≤ 20 MW projects may have up to two phases, with no individual phase smaller than 5 MW
- b) > 20 MW projects may have additional phases, provided no additional phase is smaller than the larger of 20 MW or 10% of the nameplate capacity

Topics #7 & 8: COD modification provision for SGIP projects; Length of time in queue provision for SGIP projects

We agree with the CAISO that these would require only minor fixes to conform small generator provisions to existing large generator provisions, and support inclusion in the scope.

Topic #9: Clarify that PTO and not ISO tenders GIA

We agree with the CAISO that these would require only minor fixes to conform small generator provisions to existing large generator provisions, and support inclusion in the scope.

PG&E Comments on the remaining 49 topics not addressed elsewhere

10. Timeline for tendering draft interconnection agreements	PG&E supports this proposal.
15. PTO cost estimation and benchmarking	<p>PG&E does not support this proposal. Cost estimates provided in study results are intended to be just that. Higher study costs and longer study periods would be required to provide an additional level of detail. Moreover, due to the high attrition rate and high level planning assumptions made during the study stage, it is unlikely that additional detail will provide more accurate estimates and would imply a higher degree of accuracy than can really be accomplished.</p> <p>Without additional funding to pay for the resources necessary to complete such studies, PG&E does not support providing additional detail prior to execution of the IA, especially since CAISO has previously advised FERC that 75% of these projects will not be built. It would be a significant administrative and technical burden that would delay the timely release of results, and is subject to change once engineering and permitting work is underway.</p>
16. Increases to project MW size should be allowed as long as there are not material impacts to other projects in queue	PG&E does not support this proposal. Providing an option to upsize under the material modification request provisions or through a formal study would create yet another restudy scenario that takes away limited resources from more critical activities.
18. Increased disclosure around tariff timelines	PG&E does not support this proposal. PG&E believes tariff timelines are already clear and readily available to all stakeholders, as required under previous FERC orders on GIP.

19. Project parking	PG&E does not support this proposal. Additional flexibility for project parking could increase queue speculation, hurt later queued generators that are otherwise more competitive, and increase administrative burden on the CAISO and PTOs.
20. Clarity on initial review	PG&E doesn't believe this item is necessary as it is already defined in the tariff.
23. GIP process refunds	PG&E agrees with CAISO's position.
24. Additional time for post-Phase I project decisions	PG&E does not support this topic. PG&E believes the current timeline is adequate, any extension could jeopardize receiving timely information that can be incorporated into base cases of future queue cluster studies, thus reducing the accuracy of future study results, or delaying future study results.
25. Behind the meter expansion	Requests for a behind the meter expansion should be evaluated under the material modification rules. Requests after COD has been achieved should be evaluated through a new interconnection request. Note that the current tariff already contains provisions to allow qualifying requests to be considered under the fast track or independent evaluation process.
26. Interest rate for transmission cost reimbursement	PG&E does not support this topic.
27. Unresolved PIRP solar issues	PG&E believes this is out of scope for this initiative.
28. External transmission lines	While we are not taking a position at this time on the merits of having a 'Transmission Interconnection Process,' PG&E believes this topic would result in an incredibly complex and lengthy stakeholder process, and is clearly out of the scope of this initiative.
30. Inability to delay a shared reliability network upgrade (for cluster projects)	No shared upgrades should ever be delayed. Shared upgrade delays create the need for perpetual restudy to determine when such RNUs might be needed. Delayed work on RNUs by PTOs push out the operative dates even further. It would also be inequitable to generators to allow some to achieve COD without RNUs that are required for other similarly queued projects.
34. Transmission cost reimbursement for completed phased projects	PG&E agrees the current process is not clear. The tariff currently states repayment begins at COD, which can occur before DNUs are complete. Reimbursement for DNUs should not occur until such upgrades are complete, and additional tariff clarity would be beneficial.

40. Inverter/ transformer changes	PG&E understands that the rapid pace of technology change in the inverter/transformer field may result in the need to modify interconnection agreements to accommodate new equipment. While PG&E believes the current material modification process is flexible enough to accommodate this type of a request, we also recognize that streamlining evaluation processes could be beneficial. Thus, PG&E is open to further exploration of this topic.
44. Reduce requirements for PTOs to provide backstop upfront financing exposure	If determined to be in scope, PG&E agrees with SCE's position.
45. Actual environmental costs should not be subject to cost cap	If determined to be in scope, PG&E agrees with SCE's position.
46. Commencement of repayment of transmission credits	If determined to be in scope, PG&E agrees with SCE's position.
47. Collateral requirements for posting Interconnection Financial Security	If determined to be in scope, PG&E agrees with SCE's position.