

Stakeholder Comments

Commitment Cost Enhancements Phase 2 Revised Tariff Language, April 16, 2015

| Submitted by | Company | Date Submitted |
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SDG&E appreciates the opportunity to comment on CAISO's Commitment Cost Enhancements Phase 2 proposed tariff language changes. SDG&E is requesting a few clarifications and modifications in language as outlined below.

The CAISO must modify the proposed Use Limited Capacity definition to clearly show the CAISO's interpretation that any contractual limitation that cannot be directly tied to a statute, regulation, ordinance or court order is not Use Limited Capacity. It is important to detail this includes Local Regulatory Agency (LRA) approved contractual limitations which are based on balancing many factors beyond economics including the state loading order and state GHG reduction goals.

The CAISO should include the following sentence in the Use Limited Capacity Definition: Contractual limitations approved by a LRA are not considered Use Limited Capacity.

The phrase "design considerations" also needs to be clarified in the definition. It seems in conflict with the CAISO's interpretation that LRA approved contractual limitations are not valid Use Limited Capacity even when they stem from LRAs optimizing design considerations of costs, policies, and goals. As it stands, "design considerations" is too vague a term to be included without further clarification. It cannot be left for the BPM to clarify because FERC needs a precise meaning to properly evaluate its appropriateness.