

March 20, 2015

**COMMENTS ON BEHALF OF THE CITIES OF ANAHEIM, AZUSA, BANNING,
COLTON, PASADENA, AND RIVERSIDE, CALIFORNIA ON THE ISSUE PAPER AND
STRAW PROPOSAL ON REACTIVE POWER REQUIREMENTS FOR
ASYNCHRONOUS RESOURCES**

In response to the ISO's request, the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California (collectively, the "Six Cities") submit the following comments on the ISO's March 5, 2015 Issue Paper and Straw Proposal on Reactive Power Requirements for Asynchronous Resources (the "Straw Proposal"):

The Six Cities support the ISO's proposal to establish a uniform requirement for asynchronous resources to provide reactive power and voltage regulation, applicable on a going-forward basis. The ISO's Straw Proposal demonstrates that establishing a generally applicable reactive power requirement for asynchronous resources is more equitable, more likely to maintain reliability, and more efficient than the case-by-case system impact study approach currently in place. The Six Cities further support the ISO's proposals to adopt 0.95 leading/lagging power factor requirements for asynchronous resources and to apply those requirements on a going-forward basis.

Several participants in the ISO's March 13, 2015 web conference on the Straw Proposal raised questions regarding compensation for compliance with the reactive power requirements. Under the ISO's current policy, applicable both to synchronous generators and asynchronous generators that have been required to provide reactive power capability pursuant to system impact studies, generators do not receive compensation for including design capability to meet reactive power requirements or for operating within the design range. The Six Cities support continuation of the current policy, and it should apply to all resources.

Submitted by,

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