

Stakeholder Comments Template

New Participating Transmission Owner Application

Submitted by	Organization	Date Submitted
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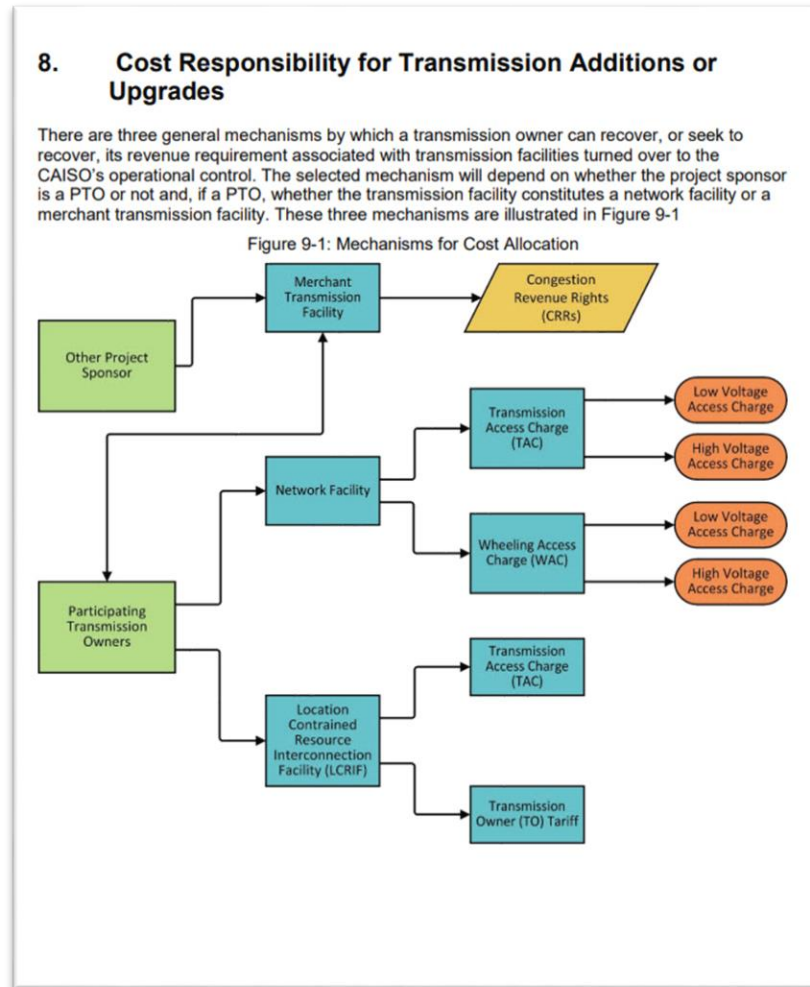
EDF-R appreciates the CAISO hosting the stakeholder call on TransWest Express Transmission's application to be a new Participating Transmission Owner. EDF-R is certainly not opposed to new PTOs entering the CAISO system, and EDF-R is generally in favor of regionalization. However, the topic of this meeting was not strictly TransWest's application, but rather, a whole new model of transmission in the CAISO.

EDF-R believes this proposal could have far reaching effects on the market and generation interconnection and will require tariff changes. EDF-R requests the CAISO vet this proposal to create a new subscriber model in the context of a stakeholder initiative, perhaps the Transmission Service and Market Scheduling Priorities initiative.

In CAISO's market notice, as well as during the meeting, CAISO indicated that they believe no tariff changes are needed for TransWest's application and the new subscriber model. CAISO also indicated that the new subscription model would only be presented for stakeholder review via a slide deck. EDF-R believes tariff changes are needed – but even if they are not – in the interest of a robust and thorough discussion, EDF-R believes CAISO should flesh out the proposal for the new subscriber model in an issue paper. It is crucial to understand the new subscriber model process and its potential costs to ratepayers before providing endorsement or opposition. The below list contains examples of where Tariff or BPM changes may be needed, as well as some procedural questions:

- Tariff Appendix F may need changes:
 - It does not contemplate TransWest or any non-California PTO joining the CAISO's balancing Authority Area (BAA)
 - Contemplated process changes need to be captured in Tariff Appendix F Section 6
- Settlements changes may also be needed to capture new settlements arrangements to enable this approach
- Changes may also be needed to Tariff Section 24.14.4 RAC Treatment of New Regional Transmission Facilities Costs
- Section 9 of the BPM for the Transmission Planning Process indicates that Merchant Transmission Facilities can only be recovered through Congestion Revenue Rights (CRRs) but CAISO's new proposal seems to change that. This part of the BPM and perhaps the tariff language that enables it, will need to be

updated:



- Within the CAISO proposal, will TransWest otherwise be treated as a PTO in the CAISO's BAA? Will new generation need to interconnect via the CAISO's GIDAP process? Will interconnection facilities and network upgrades be recommended via CAISO's current standards? If new interconnections trigger reimbursable upgrades under CAISO Tariff Appendix DD, how will that be handled? On the call it seemed that Wyoming customers will be responsible for those costs, and EDF-R believes that changes to Appendix DD and perhaps other appendices would be needed to enable that.
- Finally, Generation Interconnection is generally treated as a "California only" topic when it comes to Governance decisions. Will the creation of this out of state PTO mean that future interconnection tariff changes need to be approved under joint authority of the CAISO board and the WEIM Governing Body?