



February 15, 2018
Christopher Devin
CAISO TAC initiative manager
California Independent System Operator
250 Outcropping Way
Folsom, CA 95630

Re: Letter in opposition to CAISO Transmission Access Charge (TAC) initiative straw proposal

The San Diego Community Choice Alliance (SDCCA) is an alliance of community, business, faith, and environmental organizations coming together to advance Community Choice Energy (CCE) in San Diego.

The San Diego Community Choice Alliance is writing to express its opposition to the CAISO TAC initiative straw proposal. The current TAC proposal unfairly burdens distributed generation projects and creates an unjustified barrier to the development of local clean energy, one of the central benefits of a proposed CCE program.

SDCCA is committed to ensuring that a CCE established in San Diego provide the benefits of energy democracy, 100% renewable energy by 2035, local power generation and local jobs with local hire while prioritizing benefits for environmental justice communities. We see the proposed TAC initiative straw proposal as creating an unfair impediment to achieving these goals.

We encourage CAISO to adopt a TAC methodology that more accurately reflects the transmission and distribution costs of distributed generation. The point of measurement for transmission access charges should be moved to the transmission-distribution interface.

This change would allow the assessment of transmission access charges to be based on energy delivered through the transmission system. This means that local renewable projects would not be unfairly charged for a transmission system they do not directly use, thereby increasing the value of these projects and encouraging their development.

Additionally, it has been well documented that distributed generation significantly decreases the requirement to build expensive transmission and distribution infrastructure. The current TAC structure imposes a disproportionately high cost of future transmission and distribution cost on the customers that develop distributed generation projects. An updated TAC structure needs to take into consideration the reduced transmission and distribution costs that are the result of local renewable energy projects.

SDCCA sees the TAC initiative as a vital opportunity to reform TAC policy so that all communities can realize the social, economic, environmental, and resiliency benefits of transitioning to clean, local

renewable energy. CAISO has the opportunity to implement a fair and just TAC policy that will significantly contribute to a CCE program delivering on its promises of providing significant benefits to the community.

We hope that CAISO will take advantage of this opportunity to modify the TAC to ensure that California will meet its renewable energy goals while providing the economic, health, environmental and social benefits associated with creating a local decentralized clean energy system.

SDCCA does not view the CAISO TAC initiative straw proposal as accurately reflecting the cost of transmission and disruption for distributed generation and it would be significant hurdle in the transition to a decentralized clean energy model.

We urge CAISO to implement a TAC policy that fairly assesses transmission access charges and moves the point of measurement to the transmission-distribution interface.

Thank you for the opportunity to provide comment.

Sincerely,

Ryan O'Connor, Policy Organizer
San Diego Community Choice Alliance