

PUBLIC UTILITIES COMMISSION

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January 18, 2013

Ms. Jayshree Desai
Executive Vice President
Clean Line Energy Partners LLC
1001 McKinney, Suite 700
Houston, Texas 77002
Transmitted Electronically

California Energy Commission

DOCKETED
13-IEP-1E

TN 71926

AUG 29 2013

Re: Clean Line Energy Partner's recommended changes to

Dear Ms. Desai:

This letter is in response to Clean Line Energy Partners' request for support of its recommended changes to the California Independent System Operator's (CAISO) Generation Interconnection and Deliverability Allocation Process (GIDAP). My advisory staff has spoken with Keith Sparks on several occasions regarding the Centennial West Clean Line transmission project as well as Clean Line's concerns regarding the CAISO's current GIDAP process. As a result of Clean Line's request, my staff conferred with the CAISO as well as relevant California Public Utilities Commission (CPUC) Energy Division staff. While I understand the challenges facing a project like Centennial West and your proposed changes to the GIDAP to address these challenges, I am not able to support your recommendation to the CAISO at this time.

As detailed in the September 12, 2012 response of the CAISO's Neil Millar, current GIDAP's provisions do not provide a scenario that would accommodate Clean Line's request regarding the Centennial West project and new GIDAP provisions would be necessary. In order to develop these new provisions, the CAISO would need to do so in an open stakeholder initiative and then obtain the approval of its Board of Governors and FERC for these tariff changes.

The CPUC fully supports the 33 percent Renewables Portfolio Standard enacted in Senate Bill 1X 2 renewable energy. However, I find no compelling reason to support a deviation from the CAISO's current process to accommodate Clean Line's recommended changes to the GIDAP because: (1) California's investor owned utilities have essentially contracted for 33 percent renewables on a risk adjusted basis, and (2) the large number of renewable projects that are currently in the CAISO's interconnection queue. I encourage Clean Line to pursue its recommended GIDAP changes through the established CAISO stakeholder initiative process by participating in the "GIP-3" process, which is expected to begin in early 2013.

Thank you for communicating with my office on this issue. Although I cannot support Clean Line's request at this time, I encourage you to continue engaging with my office and CPUC staff. Please feel free to contact Marcelo Poirier, my advisor on transmission matters, if you have any additional questions.

Sincerely,

A handwritten signature in dark ink, appearing to read "MP Florio". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Michel P. Florio
Commissioner, CPUC

Cc. Michael R. Peevey, President, California Public Utilities Commission
Robert B. Weisenmiller, Chair, California Energy Commission
Steve Berberich, President and Chief Executive Office, California
Independent System Operator