



Abengoa Solar
First Solar
NRG
SunPower

Amonix
FRV Renewables
Recurrent Energy
Suntech

BrightSource Energy
Infinia
Solar Millennium
Tessera Solar

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RE: Comments on SCE's Second Draft WDAT Tariff Language

LSA appreciates SCE's willingness to consider a cap on Interconnection Financial Security (IFS) required on Interconnection facilities and Distribution Upgrades. Currently there is no cap on the First IFS; it is set at 20% of the amounts estimated in the Phase I report. LSA and CalWEA supported a cap in prior stakeholder comments. LSA at this time urges SCE to include a cap in its upcoming filing. SCE has acknowledged that its Phase I studies are conservative and is unwilling to incorporate procedures to improve cost accuracy during Phase I. For that reason, a cap based on the lower of a total dollar amount or a \$/kW value is an appropriate way to demonstrate earnestness on the part of the developer but not cause projects to drop out due solely to inaccurate or overly conservative Phase I assumptions. LSA continues to support the First IFS cap for Distribution Upgrades, Network Upgrades, and Interconnection Facilities proposed jointly with CalWEA in December: \$20/kW or \$10 million, whichever is lower, to the extent the otherwise applicable First IFS (15% for Network Upgrades and 20% for Distribution Upgrades and Interconnection Facilities) exceeds this amount. A delay in the adoption of this cap will cause otherwise worthy projects to drop from the queue and leave the SCE distribution system underutilized, which would be a detriment to the State's RPS goals and to ratepayer interests. Thank you.