From: Douglas, Paul

Sent: 2/29/2012 5:41:34 PM

To: Allen, Meredith (/O=PG&E/OU=Corporate/cn=Recipients/cn=MEAe)

Cc: Simon, Jason (jason.simon@cpuc.ca.gov)

Bcc:

Subject: need to schedule call re: ISO cluster 3-4 reform

Meredith.

I had a meeting with the ISO yesterday regarding the ISO's efforts to reevaluate the allocation of deliverability in clusters 3 and 4. Specifically, they have identified excess trx capacity that doesn't require reliability or deliverability upgrades to interconnect and they would like to use the RPS procurement process (starting in 2012) to effectively allocate the excess capacity via the PPA award process.

So, I am informally reaching out to a variety of RPS parties to get a sense of the pros and cons associated with the ISO's proposal and what it would take to implement the proposal starting with the 2012 RFO. Can we schedule a call Friday or Monday to discuss? FYI - I would like to nail down how to deal with the ISO's proposal by next Wednesday because I don't want the proposal to hold up the 2012 RFO ruling.

Thanks,

Paul

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