



CALPINE

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March 25, 2005

Mr. Mark Ziering
Consumer Protection and Safety Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94611

Regarding: Calpine Comments on the March 11, 2005 Draft Operation Plan Summary Outline

Dear Mr. Ziering:

Calpine Corporation (Calpine) appreciates the opportunity to comment on the staff's proposed format for the Operation Plan Summary to be filed by Generation Asset Owners (GAOs) in the coming months. Calpine has participated with other GAOs in a joint proposal on this topic, which was submitted to the CPSD on January 18, 2005. In its proposal, the joint GAOs proposed a format that allowed each GAO great flexibility in complying with the Operation Plan Summary requirement. Calpine continues to support the joint GAO proposal.

Alternately, in the event that the joint GAO proposal is not adopted by CPSD staff, Calpine supports returning to the matrix summary approach that the CPSD had originally required for the Maintenance Standard certification. In addition to the matrix, Calpine would supply a brief unit plan as proposed by CPSD staff. Calpine believes that the March 11, 2005 draft proposed by CPSD staff will be burdensome on Calpine's operations personnel. Calpine particularly objects to the need to write summaries of our policies, procedures, training programs and routines for a document that in the end will prove to be of little value to CPSD staff.

While Calpine along with other GAOs opposed the matrix approach initially, Calpine's concern at the time was that each guideline in the matrix would be a binding and enforceable requirement on the GAOs. This concern was addressed when the Commission ruled the guidelines to be non-binding in Decision 04-12-049. Consequently, Calpine believes that the matrix approach is a less burdensome and more efficient means of complying with the Operation Plan Summary requirement than providing the written summaries that CPSD staff proposed in its March 11, 2005 draft.

We look forward to discussing this matter with you during the April 6, 2005 workshop.

Thank you for your consideration.

Sincerely,

Jack Pigott
Director, Renewable Affairs