



Federal Energy Regulatory Commission
April 19, 2007
Open Commission Meeting
Statement of
Commissioner Philip D. Moeller

Item E-5: California Independent System Operator Corporation (Docket No. EL07-33-000)

"I support today's order that approves in a declaratory order the California ISO's financing mechanism for the construction of multi-user interconnection facilities to connect location-constrained resources to the CAISO grid. As I have consistently stated, this nation needs additional infrastructure. I am encouraged by CAISO's proposal because it will enable the construction of additional transmission infrastructure and increase the diversity of generation resources that participate in wholesale markets. In addition, I am happy to see that our order supports the interest of the state and the West region in developing renewable resources, while allowing us to satisfy our statutory requirements under the Federal Power Act.

I believe that the CAISO has attempted to strike a reasonable balance that addresses the barriers to development of location-constrained resources and includes appropriate ratepayer protections, such as a rate impact cap and capacity subscription requirements, to ensure that rates remain just and reasonable.

I look forward to receiving other innovative proposals from other entities in other regions that encourage investment in infrastructure to bring renewable resources to the market."