



**Federal Energy Regulatory Commission  
FACT SHEET  
September 20, 2007  
California Independent System Operator Corp.  
Docket No. EL07-33-01**

**Introduction and Background**

The Federal Energy Regulatory Commission today denied the Imperial Irrigation District's rehearing request and affirmed an earlier decision designed to facilitate the development of certain location-constrained resources, including wind, geothermal and solar generation.

In April 2007, the Commission approved the California Independent System Operator's (CAISO) proposed mechanism for financing facilities to interconnect location-constrained resources to the CAISO's transmission grid.

The CAISO proposal would initially roll in the costs of unused portions of interconnection facilities for location-constrained resources to all users of the CAISO system through the transmission revenue requirement of the Participating Transmission Owner that constructs the facility. Each location constrained generator that interconnects would be responsible for paying its *pro rata* share of the going-forward costs of the transmission line.

**Rehearing Denied**

The Commission denied the rehearing request stating that it has addressed Imperial's concern regarding stranded investments, and that Imperial will have multiple opportunities to comment.

The Commission also noted that the April order did not approve the building or financing of any specific facilities. Project sponsors, not the CAISO, will propose the locations of these interconnection facilities.

This rehearing order represents final Commission action to lower a major barrier to development of the significant renewable energy potential in California.

MA07-12