

Comments to the Revised Draft Final Proposal for Flexible Ramping Product

Submitted by	Company	Date
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Brookfield Energy Marketing LP (“Brookfield”) appreciates the opportunity to submit these comments in response to the Flexible Ramping Product workshop held on September 18. We continue to support the CAISO moving forward with the development of the flexible ramping product and have outlined our remaining concerns below.

Integrated IFM and RUC

Concerns were raised at the workshop related to the proposal to integrate IFM and RUC. We are not opposed to the CAISO’s proposal but agree that more discussion is warranted before finalizing the proposal as this is a fairly significant design change that has not been discussed in detail until the most recent meeting.

Cost Allocation

We appreciate and support the CAISO addressing stakeholder concerns regarding the accuracy of the 15 minute VER forecast by providing VERs the choice of multiple options to determine the 15 minute expected energy that will be used as the baseline for flexi-ramp costs. The CAISO should confirm whether this selection of options in the master file will be set for a certain period of time or if they will be able to be changed more frequently.

Please see our comments posted on 8/27 and 4/25 in regards to the need for the CAISO to 1) grandfather existing renewable contracts from the new cost allocation proposal or allocate costs to the LSE and 2) eliminate the allocation of costs to static inertia schedules with fixed ramps. As no changes to this portion of the proposal were discussed at the workshop our comments still stand and we won’t repeat them here.

If the CAISO persists in allocating costs to inertias than we propose the CAISO also compensate or provide a credit to fixed ramps that reduce the need for the CAISO to procure flexible ramp. This enhancement would allow inertia schedules to offset their

costs when they are providing a benefit to the CAISO. This would put fixed ramps on a more level playing field with other resources that have the opportunity to offset their flexi-ramp costs through submission of an economic bid and by following dispatch instructions. As we mentioned in our prior comments the only way for static inertia schedules to avoid flexi-ramp costs is to submit a flat schedule for all hours which may encourage behavior that is ultimately not beneficial to the CAISO.