

## Stakeholder Comments Template

### Subject: Straw Proposal on Multi-Stage Generating Unit Modeling

Submitted by	Company	Date Submitted
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This template has been created for submission of stakeholder comments on the following topics covered in the Straw Proposal regarding Multi-Stage Generating Unit Modeling that was posted on Tuesday, February 17, 2008. Upon completion of this template please submit to [GBiedler@caiso.com](mailto:GBiedler@caiso.com). Submissions are requested by close of business on Wednesday, March 4, 2009.

Please submit your comments to the following questions for each topic in the spaces indicated.

1. The proposed design for multi-stage generating unit modeling would enable Participants to bid in the multiple configurations of multi-stage units into the Integrated Forward Market (IFM). At most one configuration can be chosen by the IFM, and that configuration would then be locked for the Real Time Market (RTM). Please elaborate on any issues foreseen with locking the configuration passed to the RTM. (Specific examples or scenarios would be helpful.)

**CERS (California Energy Resources Scheduling, California Department of Water Resources) supports the overdue Multi-Stage Generating Unit Modeling effort but has concerns with the Straw Proposal. CERS concerns have been captured by the other submitted comments, so they will only be highlighted here.**

**A “lock” on configurations in RT will reduce the ability of large complex units to efficiently meet system needs, induce scarcity and higher prices, increase costs to ratepayers, and increase the use of Exceptional Dispatch. CERS recommends relaxing this constraint by considering some number of configurations greater than one.**

2. The issue of Resource Adequacy (RA) Must Offer (MO) requirements was discussed on the Conference Call on February 25, 2009. The ISO is considering including in its proposed design the requirement that multi-stage units subject to RA MO requirements would need to bid into the IFM at least one configuration that would fulfill the unit’s full RA MO obligation. If no configuration is chosen by the IFM, the units would need to submit a configuration into the RTM that would fulfill the RA MO obligation.

**The limitation on RT configurations confounds RA MO as described by a number of the commenters. Unless the “maximum” configuration is dispatched in DA, there will be a conflict between the DA dispatched configuration and the ability to comply with RA MO.**

**How will the cost of transition between configurations be compensated? It would seem that the cost of transition between specific configurations must be known as well as modeling the configuration costs themselves.**

3. Reporting outages and de-rates of units into the Scheduling and Logging for the ISO of California (SLIC) software will be somewhat more complex for multi-stage units. Two options include the following:
  - Submit outages/de-rates at the unit level, and make any changes necessary to ramp rates within the configuration-level bids.
  - Submit outages/de-rates at the configuration level for all configurations impacted by a generating unit, and make any ramp rate changes within the SLIC ticket.

The IFM and RTM bids for configurations affected by the outages/de-rates should reflect the changes in ramp rates and capacity. Please comment on these options and provide your preference, or any additional suggestions.

**CERS needs to better understand the difference between these options to appreciate the implications.**

**While CERS would like to see the Multi-Stage modeling implemented as soon as possible, CERS does not underestimate the difficulty this effort. CERS supports the idea that additional steps in the stakeholder process may be warranted for all parties to adequately understand and agree on the trade-offs inherent in such a complex undertaking.**