

Stakeholder Comments  
Commitment Cost Enhancements  
Phase3 (CCE3)  
Draft Final Proposal  
February 17, 2016

Submitted by	Company	Date Submitted
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The California Large Energy Consumers Association (CLECA) provides these brief comments on the Draft Final Proposal in the Commitment Cost Enhancements Phase 3 (CCE3) stakeholder process. CLECA's comments once again focus on how the revised straw proposal would affect demand response (DR) integrated into the CAISO's markets as a Proxy Demand Resource (PDR) or as Reliability Demand Response Resource (RDRR).

As in the Revised Straw Proposal, the Draft Final Proposal would eliminate use-limited status for PDR and RDRR. CLECA has previously opposed the removal of this default use-limited status, which is based on decisions of the CPUC, the Local Regulatory Authority, and contained in tariffs and decisions it has approved. CLECA continues to be concerned about the removal of this status; CLECA does not understand the seeming urgency felt by CAISO staff to take a Final Proposal to the CAISO Board this month. We note that the February 17 Draft Final Proposal indicated that the CAISO would be posting a technical appendix but there is no technical appendix on the stakeholder initiative page for CCE3. Thus, it is not possible for stakeholders to offer comments on that appendix at this time.

The Draft Final Proposal incorporates material on a use-limited reached outage card that was previously included in the Reliability Services 2 Initiative. It also includes a proposal for a "nature of work" outage card for PDR and RDRR. This is to enable these resources to take an outage when their use limitations, which will no longer allow them to be deemed use-limited under the CAISO definition, are reached.

The Draft Final Proposal discusses the nature of work outage card in Section 10.3. It is clear that these outage cards can be used after dispatch for three days in a row and four hours a day for an outage of up to 48 hours and can be used after dispatch 24 hours in a month for an outage for the rest of the month. The Proposal also states that the use of these cards will provide RAAIM exemption for the DR resources while on the outage. It is our understanding from discussions with CAISO staff that these nature of work outage cards would also apply when the DR resource's annual limitation, if any, is reached, and that the resource would be exempted from RAAIM in this case as well. This clarification should be made explicit in the final Proposal to be voted upon by the Board. Moreover, if this understanding is incorrect, there should be clarification before the Proposal is taken to the Board of Governors.