

**Calpine Comments on the Flexible Resource Adequacy Criteria and Must-Offer
Obligation
Draft Final Proposal**

Submitted by	Company	Date Submitted
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Calpine largely supports the changes to the Fifth Revised Straw Proposal reflected in the Draft Final Proposal.

Calpine has one remaining concern about the proposed must-offer obligation for Category 1 (Base Flexibility) resources. In order to qualify for Category 1, a resource would be required to “Meet minimum start requirements of either two starts per day or the number of starts allowed by a resource’s minimum up and minimum down time operational limits.” As explained in the proposal, a resource with sufficiently long minimum up and down times would not be required to be able to start twice per day to qualify for Category 1, whereas a resource with shorter minimum up and down times but environmental limits on starts that potentially preclude it from starting more than once per day (on average) would not qualify for Category 1. This result seems perverse in the sense that it would allow a less flexible resource, i.e., one with longer minimum up and down times, to count towards Category 1, but not an ostensibly more flexible resource, i.e., one with shorter minimum up and down times and the possibility of starting more than once per day albeit not every day.

To ensure more equitable treatment of resources with different minimum up and down times and limitations on starts, Calpine proposes the following modifications to the must-offer obligation for Category 1 resources: Category 1 resources should be able to meet two three hour ramps per day. To the extent that such resources are limited to less than two starts per day due to either operational limits, such as minimum up and down times, or use limits, such as annual or monthly limits on starts, resources must be capable of providing not only 6 hours of energy/day at EFC but also an additional 11 hours of energy/day at Pmin. (11 hours is the maximum time that could elapse between two three hour ramps, both of which occur within the 17 hour window covered by the Category 1 must-offer obligation.) This additional energy requirement would ensure that resources that are potentially start-limited could remain operating and available to meet two ramps in a day.