



## Stakeholder Comments Template

### RA Enhancements

This template has been created for submission of stakeholder comments on the RA Enhancements Issue Paper that was published on October 22, 2018. The Issue Paper, Stakeholder Meeting presentation, and other information related to this initiative may be found on the initiative webpage at:

<http://www.caiso.com/informed/Pages/StakeholderProcesses/ResourceAdequacyEnhancements.aspx>

Upon completion of this template, please submit it to [initiativecomments@caiso.com](mailto:initiativecomments@caiso.com).

| Submitted by         | Organization    | Date Submitted  |
|----------------------|-----------------|-----------------|
| <i>Sandeep Arora</i> | <i>LS Power</i> | <i>11-14-18</i> |

Submissions are requested by close of business on **November 14, 2018**.

**Please provide your organization's comments on the Issue Paper scope items listed below and any additional comments using this template.**

#### **Scoping Items**

The ISO's has identified the following items for the initial scope of this stakeholder process. Please provide comments on each of the scoping items.

#### **1. RA Counting and Eligibility Rules**

##### **a. System RA**

The ISO proposes to review the RA counting and eligibility provisions related to RA resource NQC adjustments in this initiative, including a review of the application of Effective Forced Outage Rate (EFOR) performance criteria and accompanying NQC reductions and a review and clarification of RA counting rules for RA resources. Please provide comments on this scope.

##### **Comments:**

*LS Power supports inclusion of this topic in scope.*

##### **b. Flexible RA**

The ISO proposes to continue exploring enhanced flexible RA counting rules started in the FRACMOO2 stakeholder process. More specifically, the ISO will continue assessing the operational capabilities required from the fleet to align with both the Day-Ahead Market Enhancements (DAME) and the Extended Day Ahead Market (EDAM) and what flexible RA counting rule changes may be needed. Please provide comments on this scope.

**Comments:**

CAISO should leverage on its prior efforts in developing new Flex RA products under the FRACMOO2 initiative in order to accelerate an earlier implementation of flexibility enhancements. The Net Load Ramp problem is years ahead of schedule while the Market Reform stakeholder process is behind the original schedule. LS Power supports an earlier implementation schedule for DAME and FRACMOO2 reforms.

**2. Review of Resource Adequacy Import Capability Provisions**

The ISO proposes to conduct a comprehensive review of the ISO's Import Capability provisions, including; calculation methodologies, allocation process, and reassignment/trading provisions. The ISO believes that it may also be necessary to consider multi-year assessments and allocations. Please provide comments on this scope.

**Comments:**

LS Power supports inclusion of this topic in scope.

**3. Rules for RA imports**

The ISO proposes to include a review of RA import rules and provisions in the scope of this initiative, including a reassessment of the requirements and rules for the sources behind RA imports. Please provide comments on this scope.

**Comments:**

LS Power supports inclusion of this topic in scope.

**4. Must Offer Obligations, Substitution Rules, and RAAIM**

The ISO proposes to include a review of the following set of issues as a part of this stakeholder initiative; need for substitution rules and RAAIM, developing an emergency or event based RAAIM trigger, and must offer obligations for RA imports. Please provide comments on this scope.

**Comments:**

LS Power supports inclusion of this topic in scope.

**5. System and Flexible Capacity Assessments and Adequacy Tests**

As part of this stakeholder initiative, the ISO is considering a new tool to assess the adequacy of the system and flexible RA fleet. Please provide comments on this scope.

**Comments:**

LS Power supports inclusion of this topic in scope.

**6. Meeting Local RA Needs**

**a. Local capacity assessments with availability limited resources**

As part of this stakeholder initiative the ISO proposes to enhance the ISO's local capacity technical analysis to assess the impact of availability limited resources on local capacity needs. Please provide comments on this proposed scope.

**Comments:**

LS Power understands CAISO's concerns about relying on limited duration resources for meeting local reliability needs but at the same time would not support any proposal that makes a certain pool of resources ineligible to meet Local RA needs. We look forward to more discussion on this topic.

**b. Meeting local capacity needs with slow demand response**

Through this initiative, the ISO proposes to explore how to best operationalize slow DR through pre-contingency dispatch so these resources can mitigate local reliability concerns and qualify for local RA. Please provide comments on this scope.

**Comments:**

No comments at this time.

**7. CPM/RMR Review**

Through this initiative, the ISO is planning to identify any needed changes to the capacity procurement mechanism (CPM) or reliability must run (RMR) mechanisms, particularly focusing on the existing cost allocation tools. Additionally, the ISO will specify the process for backstop procurement of essential reliability resources (ERRs) if they are not procured through the RA process. Please provide comments on this scope.

**Comments:**

No comments at this time.

**Scope of Policy Examination**

The ISO's has identified the initial scope for this stakeholder process as the items listed above. Please provide comments on the proposed scope. If there are specific items not

already identified by the ISO that you believe should be considered, please provide specific rationale for why the ISO should consider it as part of this initiative.

**Comments:**

No comments

**Other**

Please provide any comments not addressed above, including any comments on process or scope of the RA Enhancements initiative, here.

**Comments:**

LS Power thanks CAISO staff for launching this initiative and the opportunity to provide comments. Since the number of Issues CAISO is planning to address is rather large, we recommend that CAISO should prioritize certain issues such that implementation of priority issues can be accomplished in a more timely manner. Issues such as, Flexible Resource Adequacy enhancements should be prioritized such that CAISO has the flexible fleet available to manage operational challenges caused by the changing resource mix. If CAISO can share its priorities at the Scoping document stage, that would help stakeholders.