

# Stakeholder Comments Template

## Regional Resource Adequacy Initiative Issue Paper

Submitted by	Company	Date Submitted
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This template has been created for submission of stakeholder comments on the issue paper for the Regional Resource Adequacy Initiative that was posted on December 9, 2015. The issue paper and other information related to this initiative may be found at:

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

Upon completion of this template, please submit it to [initiativecomments@caiso.com](mailto:initiativecomments@caiso.com). Submissions are requested by close of business on **January 7, 2016**.

If you are interested in providing written comments on the issue paper, please provide your comments below.

Northern California Power Agency (NCPA) provides the following limited comments for your consideration:

California's existing Resource Adequacy programs are enforced by multiple jurisdictional authorities and have worked very well in coordination with other planning activities conducted by the various Load Serving Entities (LSE) within California. As a result, electric service to California customers has been very reliable and CAISO has had sufficient access to the amount and types of capacity it needs to operate the balancing authority efficiently. One of the key elements of the current Resource Adequacy regime is that each Local Resource Authority (LRA) has the ability to establish its own Resource Adequacy program that is tailored to the meet the specific planning needs of its respective LSEs. This shared jurisdiction, which was considered and approved by the FERC<sup>1</sup> as appropriately preserving the jurisdictional prerogatives of the CPUC and the other LRAs that govern state and municipal LSEs, has been successful. Despite the fact that the various Resource Adequacy programs enforced in California are not completely uniform, it is clear that all of the adopted programs have worked very well together. To NCPA's knowledge, the CAISO has never indicated that the annual Resource Adequacy showings made by LSE's under the criteria imposed by their respective LRAs have resulted in a collective planning reserve deficiency, and CAISO has never been required to procure back stop capacity due to LSEs being deficient in their obligations.

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<sup>1</sup> Cal. Independent. Sys. Op. Corp., 115 FERC ¶ 61,172 PP 28-30 (2006).

LRAs have the need and the right to establish unique Resource Adequacy programs that address the particular needs and responsibilities of their respective LSEs. LSEs often have unique operational characteristics that necessitate planning and procurement strategies tailored to the needs of their customers, the characteristics of their resources and the need to satisfy legal requirements, such as environmental mandates. For example, it is important for LRAs to retain the ability to set the rules and requirements used to establish the type of resources their respective LSEs may use to meet their planning reserve needs. While NCPA supports CAISO's effort to ensure that Resource Adequacy requirements are enforced in a comparable manner across a potentially expanded CAISO footprint, a single, standardized RA requirement for all LSEs (an idea floated at the December 16 stakeholder meeting)<sup>2</sup> is the wrong solution. NCPA strongly believes that the current deference to LRAs to establish programs for their respective LSEs is a key element to the success of the overall program.

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<sup>2</sup> See Slide 18 of the CAISO Presentation at December 16 Stakeholder Meeting in Salt Lake City, [https://www.caiso.com/Documents/Agenda\\_Presentation\\_RegionalResourceAdequacy.pdf](https://www.caiso.com/Documents/Agenda_Presentation_RegionalResourceAdequacy.pdf).