

Stakeholder Comments Template

Subject: Regional Resource Adequacy Initiative

| Submitted by | Company | Date Submitted |
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This template has been created for submission of stakeholder comments on the Third Revised Straw Proposal for the Regional Resource Adequacy initiative that was posted on September 29, 2016. Upon completion of this template, please submit it to initiativecomments@caiso.com. Submissions are requested by close of business on **October 27, 2016**.

Please provide feedback on the Regional RA Third Revised Straw Proposal below.

The ISO is especially interested in receiving feedback that indicates if your organization supports particular aspects of the proposal. Alternatively, if your organization does not support particular aspects of the proposal, please indicate why your organization does not support those aspects.

Northern California Power Agency (“NCPA”) appreciates the opportunity to provide the following comments on the CAISO’s September 29, 2016 Third Revised Straw Proposal for the Regional Resource Adequacy initiative.

Load Forecasting

NCPA supports CAISO’s current proposal to utilize individual LSE load forecast submittals to identify the system RA requirements for those LSEs, and to allow LRAs to retain their established processes for oversee the load forecasting methodologies that their jurisdictional LSEs will use. NCPA is concerned, however, about the level of detail that CAISO would require in the narrative summary to be submitted with an LSE’s load forecast. Requiring LSEs to provide such a high level of detail to support their load forecasts would be unduly burdensome and unnecessary.

The Third Revised Straw Proposal (pp 14-15) describes the extensive detail that CAISO is proposing to require from LSEs, including tables and reports describing the statistical properties of the forecast models, citations and descriptions of external forecast models used, and a sensitivity analysis of the forecast to changes in economic and demographic information. Even

if an LSE were simply to submit its entire forecast model to CAISO, it might not satisfy the requirements described in the Third Revised Straw Proposal, because CAISO is also asking for textual summaries of the model. In short, it could be very costly for individual LSEs, especially smaller ones, to provide all the information CAISO is proposing to require with no real benefit to the CAISO. Since CAISO is only proposing to review a subset of LSE forecasts submitted each year, it may not be necessary for all LSEs to incur that cost every year.

At the October 6, 2016 Stakeholder Meeting, CAISO explained ([Audio Recording](#) at minute 37) that “for those that are relying on the CEC forecast, the IEPR forecast documentation would be enough to meet the needs that we would see.” To the extent that CAISO is proposing that the CEC, not individual LSEs, would submit the supporting documentation, the next iteration of the Regional RA proposal should reflect that. NCPA would support such a clarification. Alternatively, if CAISO does intend for each LSE to individually submit supporting documentation, NCPA suggests that individual LSEs only be required, at least initially, to submit the executive summary explaining how the forecast was determined. If CAISO chooses to review an LSE’s forecast and needs additional information, CAISO could at that time request the more detailed information that is needed.

Reliability Assessment

NCPA reiterates its objection to any CAISO infringement on the jurisdictional authority of LRAs to determine the planning reserve margins and the resource counting methodologies for their jurisdictional LSEs. Any allocation of backstop capacity procurement should be allocated only to LSEs that have not met their individual RA requirements *as established by their LRAs*. LSEs that comply with their LRAs’ RA requirements should not receive an allocation of backstop procurement costs.