

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 Revised Straw Proposal for the Regional Resource Adequacy initiative that was posted on April 13, 2016. Upon completion of this template please submit it to initiativecomments@caiso.com. Submissions are requested by close of business on May 4, 2016.

Please provide feedback on the Regional RA Revised Straw Proposal topics:

1. Load Forecasting

NIPPC supports the ISO proposal which provides LSEs flexibility in preparing their load forecasts while also requiring LSEs to submit their modifiers and adjustments to the ISO to facilitate review.

NIPPC does not have specific comments on the details of the proposed load forecasting methodology. NIPPC notes that this stakeholder process is not the appropriate mechanism to explore enhanced functionality or improvement of the ISO's existing processes unless changes are required to facilitate potential expansion of the ISO's geographic footprint. To the maximum extent possible, the ISO should continue to use existing processes that have proven effective.

2. Maximum Import Capability

NIPPC supports the ISO's proposal to revise the existing methodology used to calculate the MIC MW values to reflect the different peak time periods in which non-coincident peaking areas without commonly known constraints experience their own maximum simultaneous imports.

The ISO reports that it will perform studies to determine the Maximum Import Capability between PAC and CAISO because this information will be necessary to perform net benefit

assessments. NIPPC suggests that the ISO and PacifiCorp also perform additional studies incorporating NV Energy into the expanded footprint as part of that effort.

3. Internal RA Transfer Capability Constraints

NIPPC supports the proposal to develop zonal Resource Adequacy requirements that respect internal constraints. NIPPC looks forward to additional details of the proposal.

4. Allocating RA Requirements to LRAs/LSEs

No position

5. Updating ISO Tariff Language to be More Generic

No position

6. Reliability Assessment

NIPPC supports the proposal to consider system, zonal and local resource adequacy requirements.

a. Planning Reserve Margin

NIPPC encourages the ISO to adopt - in the near term - a simplified deterministic Planning Reserve Margin calculation. For the purposes of exploring regional expansion of the ISO footprint, NIPPC believes a straightforward transparent deterministic calculation is superior to a more complex probabilistic mechanism. As states and stakeholders consider net benefit assessment studies it will be valuable to have the individual components as transparent as possible to simplify efforts of third parties to duplicate the results and perform sensitivity studies. This stakeholder process is not the appropriate mechanism to explore improvements to the ISO's existing processes. To the maximum extent possible, the ISO should continue to use existing processes in order to contain costs associated with expanding the ISO footprint.

If the ISO believes that a probabilistic methodology may be superior, it should take that up in the future. It also appears that a probabilistic methodology will have higher costs compared to a deterministic method; the ISO should attempt to quantify the cost differences between the two proposed methodologies.

b. Uniform Counting Methodologies

NIPPC supports the use of pMax for thermal resources. NIPPC supports the the use of Effective Load Carrying Capability for wind and solar resources. NIPPC does not believe pMax is appropriate for hydro resources; depending upon water conditions, hydro resources may not be

able to provide pMax for extended periods of time. NIPPC suggests the resource adequacy metric of all hydro resources should be based on their historic availability.

For new technologies, storage, and demand response resources the ISO should use a registered capacity value to determine the Resource Adequacy contribution. Many of these resources will not have a three year history of operations. Other resources with an operating history may not have been deployed to their full technical capability over that time.

c. Backstop Procurement Authority

No additional comments.

7. Other