

NRG Energy, Inc. Comments on Stakeholder Initiatives Catalog and Process

Submitted By	Company	Date Submitted
Brian Theaker	NRG Energy, Inc. ("NRG")	September 29, 2016

The CAISO seeks comment in the following areas on the September 15, 2016 2017 Stakeholder Initiative Catalog:

1. Questions or clarifications regarding initiatives in the catalog;
2. A detailed description of any proposed new initiatives, including an explanation of how it would improve market efficiency and/or grid reliability, and when it needs to be addressed; and
3. A detailed explanation why the ISO should delete an initiative listed in catalog or why the ISO should not delete an initiative it proposes to be deleted.

With regards to (1) - NRG has no questions or clarifications.

With regards to (2), NRG offers this new initiative:

Category: Resource Adequacy

Initiative: Multi-year Forward Capacity Risk-of-Retirement Backstop Procurement

Description: The CAISO's current authority to issue a "risk-of-retirement" backstop procurement designation extends only a single year into the future. As a result, there is no mechanism to ensure that capacity that might otherwise retire would be kept in operation to maintain reliability for needs projected more than a single year out. Extending the CAISO's authority to issue a "risk-of-retirement" backstop designation, and provide appropriate compensation, to more than a year in advance would help address this current deficiency in procurement processes.

With regards to (3) - NRG has no response.

Finally, NRG notes that the CAISO currently has 18 initiatives that are either planned or already underway. While NRG has always advocated for the CAISO to conduct a meaningful stakeholder initiatives ranking process, and, more importantly, follow through on that process to take on additional initiatives of importance to market participants, it's not clear that the CAISO has the additional bandwidth to take on additional discretionary initiatives at this time. NRG looks forward to participating in this ranking process, but asks the CAISO to provide additional assurance that the effort that NRG and other CAISO market participants will expend in this process will be worthwhile and that this process will not end like all of the others – with the CAISO having no ability to take on additional discretionary initiatives.