

COMMENTS OF NV ENERGY COMMITMENT COSTS PHASE 3 DRAFT TARIFF LANGUAGE DATED JULY 31st, 2017 CAISO STAKEHOLDER PROCESS

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NV Energy appreciates the opportunity to comment in this process to develop the tariff language for the Commitment Cost Enhancement Phase 3 initiative and provides the following comments for the CAISO's consideration.

I. Section 4.6.4 Identification of Generating Units

Section 4.6.4 identifies the allowable parameters of when it is appropriate to use the resource design constraints for inclusion in the Masterfile or a reflection of the resource's degradation over time. NV Energy proposes the following change to draft tariff language in this section.

"All information provided to the CAISO regarding the operational and technical constraints in the Master File shall be accurate, complete, responsive to the CAISO's requests, and actually based on the design capabilities of the resource and its constituent equipment, as reasonably adjusted to reflect *resource* degradation in performance over time."

A resource's performance does not only degrade with time, however it is also possible for the performance to improve after major outages or resource design upgrades. Therefore, NV Energy proposes a more general reflection for a resource's performance.

a. Minimum Requirement for Maximum Daily Starts

NV Energy opposes the new proposed requirement for all resources to register a minimum of two starts per day or two transitions per day to be inflicted within the EIM. The EIM market is an imbalance only market, not a must offer market, where no such requirements should be imposed on resources. Section 4.6.4 outlines requirements for participating resources, however, there is no mention that these requirements will also be imposed on non-participating resources. Moreover, section 29 for the EIM does not mention or reference section 4.6.4 or any other section for the generator registration requirements within the EIM.¹ NV Energy requests clarification on the requirements that are or will be imposed to both participating and non-participating resources within the EIM.

II. Section 30.4.1.1.6.2.1 Calculation Schedule

Section 30.4.1.1.6.2.1 frames the prioritization of resources in the event CAISO is unable to perform updated monthly calculations for the opportunity costs of use limitations. NV Energy supports prioritization of resources that are close to reaching their use limitations. However, NV Energy proposes the CAISO provide more transparency for resources waiting for their updated opportunity cost.

¹ Section 29.4.c.4.C Register in the manner set forth in the Business Practice Manual for the Energy Imbalance Market all non-participating resources in the Balancing Authority Area of each EIM Entity that it represents and update such information in timely manner. This language is the same for participating resources.

Furthermore, NV Energy proposes a process for resources to request an updated calculation to their opportunity cost and a listed queue for instances when the CAISO is not capable of providing updated costs for all resources.