

Olivine, Inc. Comments on CAISO Fifth Revised Straw Proposal Flexible Resource Adequacy Criteria Must Offer Obligation

Olivine, Inc. appreciates the opportunity to comment on the CAISO Fifth Revised Straw Proposal Flexible Resource Adequacy Criteria Must Offer Obligation paper and limits these comments in support of one particular change from previous drafts. Specifically, the change from technology-specific categories to technology-agnostic categories derived from a needs-based analysis of the system.

This revised approach is pragmatic for several reasons:

1. Adjustments to the levels of the categories can be made once historical data is available without the potential of having to reclassify technologies.
2. The fact that future adjustments can be made with the inclusion of historical data instead of completely relying on study data allowing for a more accurate assessment of need.
3. Given the number of new resource technologies being developed, defining the system requirements rather than anticipating how technologies will interact with the CAISO system provides a more reasonable framework for developers to deliver wholesale-ready resources without blocking innovation.
4. This revision better meshes with the CPUC process for defining and determining RA Qualifying Capacity and Effective Flexible Capacity for various resource technologies in R.11-10-023 by eliminating the possibility of incompatible definitions.

We recognize the urgency for getting a new framework in place for 2015, but we need to keep in mind that this will continue to require efforts in both at the CAISO and the CPUC proceedings to ensure workable solutions for the inclusion of new technologies to address renewable integration needs for 2016 and beyond.