

### Olivine Comments on Revised Draft 2015 Stakeholder Initiative Catalog

Submitted By	Company	Date
Spence Gerber	Olivine, Inc	December 5, 2014

The CAISO seeks comments to the Revised Draft 2015 Stakeholder Initiative Catalog and specifically feedback on the CAISO rankings of the discretionary initiatives.

Olivine believes that the scoring of item 3.2 misses the opportunity to take into account the reliability and market efficiency impacts that DLAP wide PDRs can provide and that it should receive a higher overall score. DLAP wide aggregations do not only apply to the inclusion of utility wide dynamic rate programs as supply side resources as noted in the initiative description on page 23. DLAP wide aggregations would also facilitate the integration of existing utility DR programs as supply side resources that must be dispatched on a UDC wide basis similar to the potential inclusion of dynamic rates. The lack of a DLAP wide aggregation actually reduced the number of UDC program MW integrated into the market during the summer of 2014. Further, the absence of DLAP wide aggregations for PDRs (and distributed resources in general) is a barrier to market entry for emerging technologies such as vehicle grid integration and behind the meter storage. Barriers that prevent market entries are anathema to grid reliability and market efficiency by limiting the expansion of resources available to meet net load requirements.

For item 11.5, Combined Demand Response Product, the score of zero (0) for ISO implementation indicating a major effort seems illogical and contravenes informal discussions with CAISO personnel and stated CAISO policy objectives. Existing infrastructure supporting NGR and PDR would seem to only need limited modification by the CAISO to create a combined Demand Response Product that not only supports demand response but rather distributed energy resources more broadly. As noted in the description of the item, this resource type is central to the broader policy effort to support market inclusion of energy storage as discussed in the Energy Storage Roadmap effort which would seem to indicate a higher scoring for grid reliability if the resource type provides the CAISO with greater visibility to the operation of resources connected at the distribution level.