



Comments of Pacific Gas and Electric Company on the Commitment Costs Enhancements Policy Clarification

Submitted by	Company	Date Submitted
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Pacific Gas and Electric Company (PG&E) appreciates the opportunity to submit comments on the Commitment Cost Enhancements (CCE) Policy Clarification Tariff language and white paper. While PG&E supports some components of this process, the CAISO should route policy changes such as these through a formal stakeholder process, including bringing changes to the CAISO Board of Governors, rather than issuing a white paper with limited time for stakeholder comments.

This process has been rushed and has the potential for unintended consequences that will require additional Policy Clarification papers that could be avoided if the CAISO launched a more measured approach to tariff changes.

Specifically, CAISO has provided no policy justification for making Conditionally Available Resources (CAR) subject to Resource Adequacy Availability Mechanism (RAAIM) charges. PG&E believes this policy change related to CAR resources poses significant policy implications and warrants further discussion. On the stakeholder call on October 10, 2019, CAISO claimed it never intended CAR units to be exempt from RAAIM, however PG&E can find no record of this discussion in the initial round of CCE stakeholder process.

Some additional concerns are listed below:

- 1. PG&E agrees with CAISO’s decision to provide RAAIM exemptions for run-of-river hydro resources, however it is unclear by which process or Masterfile flag CAISO will differentiate these resources from non-run-of-river hydro resources.** PG&E is concerned that CAISO will scrutinize the classifications made by scheduling coordinators and/or require excessive documentation, leading to another protracted disagreement over terminology.
- 2. PG&E disagrees with the proposed change to Section 40.6.4.2 which removes ‘Hydroelectric Generating Units’, ‘Pumping Load’ and ‘Non-Dispatchable Resources’ from the list of**



exemptions. These proposed changes are outside of the scope of the CCE3 initiative and will significantly impact scheduling coordinators if implemented. If CAISO removes 'Hydroelectric Generating Units' from exempted resource types, then 'Use-Limited Resources' and 'Run-of-River Hydro Resources' should both be added to the list of exemptions.

3. **PG&E disagrees with the proposed change to Section 40.6.8 which removes 'Non-Dispatchable Resources' from the list of exemptions.** This proposed change is outside of the scope of the CCE3 initiative and will significantly impact scheduling coordinators if implemented. On the October 10th stakeholder call, CAISO described this change as tariff language cleanup and claimed that any Non-Dispatchable Resource should already be covered by other exempted resource types. PG&E has identified several resources in its portfolio that have a Non-Dispatchable flag listed as No that are not currently exempt from bid insertion through other exemptions.
4. **PG&E disagrees with the additional RMT Max language added to Section 40.10.4.1 (f).** This proposed change is outside of the scope of the CCE3 initiative and will impact scheduling coordinators if implemented as the Maximum Regulatory Must Take volume can change from year-to-year, which increases the burden on scheduling coordinators to evaluate the flexible capacity that CHP resources can provide. In addition, the CAISO has provided no justification for this change.