

PG&E's Comments

Flexible Ramping Product Draft Tariff Language

Submitted by	Company	Date Submitted
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PG&E appreciates the opportunity to comment on the CAISO's Flexible Ramping Product Draft Tariff Language dated April 26, 2016. PG&E supports CAISO's efforts to develop an approach to procure Flexible Ramping Product in general. In summary, the changes to the CAISO's Draft Tariff Language were:

- Removal of the current Flexible ramping Constraint Compensation sections 11.25 and replacing them with new Settlement of Flexible Ramping Product (Upward and Downward)
- Removal of section 27.10 Flexible ramping Constraint
- Addition of section 44 Flexible ramping Product
- Modifications of sections 29.11 and 29.34 related to EIM operations
- General modifications of sections 27.4.1 Security Constraint Unit Commitment, 34.4 Fifteen Minute market 34.5 Real-Time Dispatch, 34.7 General Dispatch Principles

In response, PG&E offers the following comments:

1. Per Section 7.3 of the January 25, 2016 Addendum Draft Final Technical Appendix, the CAISO had proposed eliminating the daily settling in favor of a single monthly settlement; explicitly identifying it as a significant simplification over the resettlement process identified here. Thus, this would appear to be in contrast to proposed language in section 11.25.2.3.1.4.
2. Sections 11.25.1.1 and 11.25.1.2 both refer to Forecasted Movement for a resource calculated pursuant to Section 44.3. Section 44.3 does not separate Forecast Movement into movement up and movement down but only calculates movement. Consequently, the settlements calculations in Sections 11.25.1.1 and 11.25.1.2 are identical and will settle movement either up or down. The sections are repetitious and could be construed to pay a resource twice for forecast movement. It is suggested skipping 11.25.1.2 and retitling 11.25.1.1 to "Forecasted Movement".