



PRR 1280 Withdrawal

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Stakeholder call

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Agenda

- Background
- ISO staff statement on the withdrawal of PRR 1280
- Implications of withdrawal of PRR 1280 on RA processes moving forward
- Next steps

Background

- The ISO held an Executive Appeals Committee hearing on December 20, 2020 to discuss the appeals of PRR 1280.
- The ISO Executive Appeals Committee issued its decision to hold PRR 1280 in abeyance until August 2021.
- The ISO engaged in significant outreach with Local Regulatory Authorities (LRAs) that historically have granted their jurisdictional load serving entities (LSEs) with credits toward meeting their Resource Adequacy (RA) obligations.
- After reviewing comments submitted by stakeholders on July 19 which discussed whether and how the issues discussed during the December 1, 2020 Executive Appeals Committee hearing on PRR 1280 have been addressed, the ISO chose to withdraw the PRR.

ISO staff statement on the withdrawal of PRR 1280

- The ISO staff's written statement is available on the Business Practice Manuals webpage at <http://www.caiso.com/Documents/ISOStaffStatement-WithdrawingPRR1280.pdf>

Three implications of withdrawal of PRR 1280 on RA processes moving forward:

- RA Deficiency Notices to LSEs and LRAs
 - For deficiency notices, ISO will only consider LRA RA credits relating to resources on a supply plan
- Capacity procurement mechanism (CPM) designations
 - ISO will *consider* all LRA RA credits in exercising discretion on issuing CPM designations
 - LRA RA credits in excess of RA deficiency will not automatically prevent CPM designations
- Allocating CPM costs
 - In pro-rating CPM costs, ISO will only consider LRA RA credits that relate to resources on a supply plan

Next steps

- ISO staff will continue to engage with affected stakeholders to work through concerns raised by pursuing PRR 1280.
- ISO staff will consider at a later date whether it needs to pursue the changes proposed through PRR 1280 through a new PRR or some other mechanism.

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