

Proposed Framework for CAISO Flexible Capacity Procurement

PREPARED FOR:

CAISO FRACMOO2 WORKING GROUP

PREPARED BY:

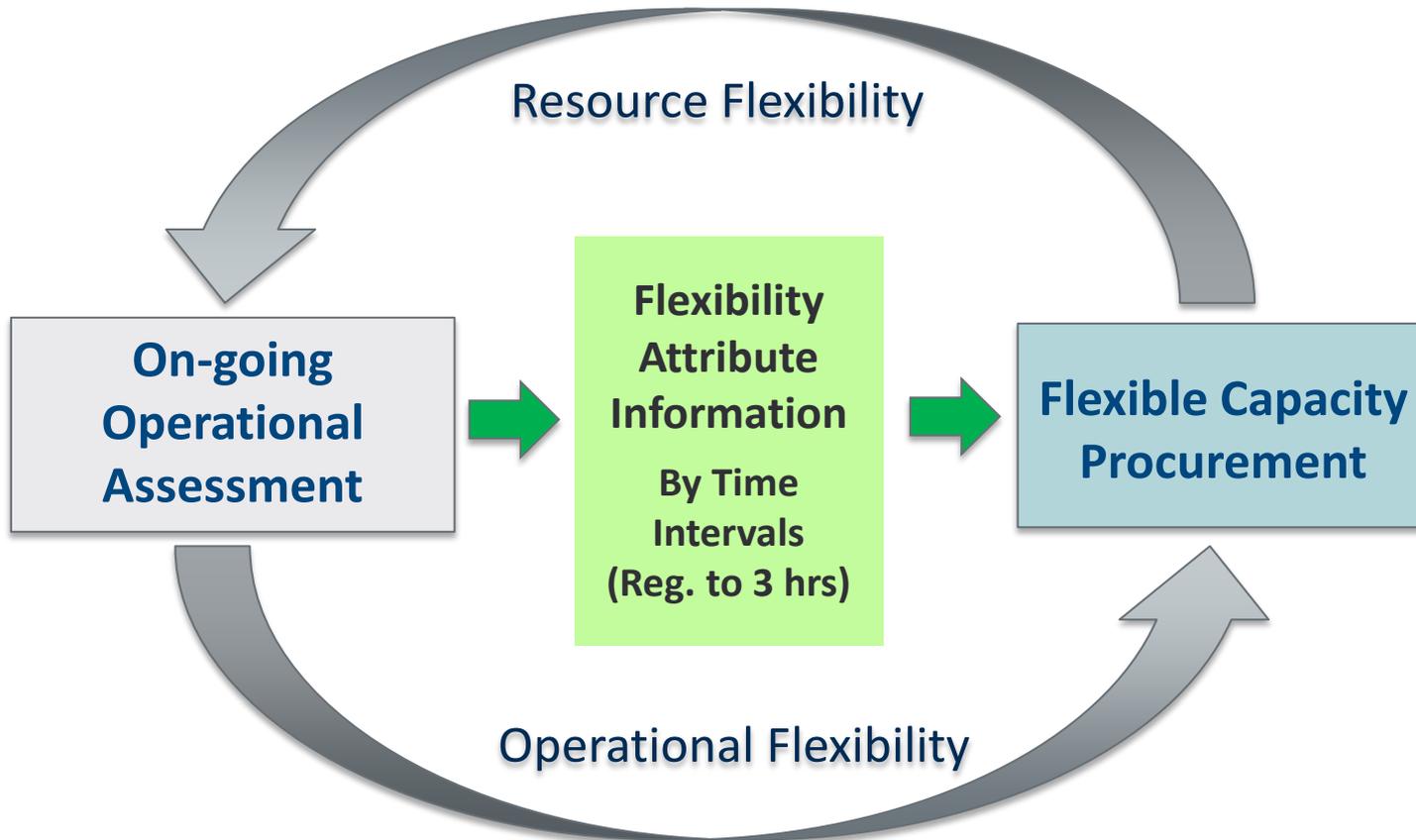
Johannes P. Pfeifenberger
Judy W. Chang
Yingxia Yang

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THE **Brattle** GROUP

Draft Framework for Flexible Capacity Procurement



On-going Operational Assessments



Flexible Capacity Procurement

Flexibility Attribute Information Gathered through the On-going Operational Assessment

Step 1: Identify Flexible Capacity Needs

Assess need for resource attributes and characteristics:

- Determine current flexibility needs and related resource characteristics
 - Regulation, 5-15 min, 1-3 hour ramping needs
- Determine likely future policy requirements and renewable deployment
- Project how flexibility need will likely evolve over time

Step 2: Specify Flexible Capacity Procurement Quantities

- a. Define products for procurement
 - Products to optimally utilize resources, minimize participation barriers
 - Determine qualifications and performance requirements
- b. Translate flexibility need into quantity of products needed for near-term (next RA procurement) and longer-term (3+ years)
 - Determine quantities and procurement time frame
 - Prioritize types of capabilities/products for near-term needs

Step 3: Procure Flexible Capacity

Operational Assessment

Integrated Operational & Procurement Framework

