

# Stakeholder Comments

## Flexible Resource Adequacy Criteria and Must Offer Obligation Working Group issued on September 26, 2017

Submitted by	Company	Date Submitted
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SCE herein provides comments on the Flexible Resource Adequacy Criteria and Must Offer Obligation 2 (Presentation) discussed at the workshop on September 26, 2017.<sup>1</sup> SCE appreciates the efforts of the CAISO to identify the need for flexible capacity in the future and develop a process so the appropriate amount is offered to the market. As SCE mentioned in prior comments,<sup>2</sup> the CAISO has not provided sufficient explanation whether the problem is the failure of the Resource Adequacy (RA) procurement process to acquire sufficient flexibility or if there is a failure to optimize the available resources to meet net load.<sup>3</sup> Without sufficient explanation of the cause, it is impossible to determine if the added complexity of four flexible products (day-ahead, fifteen minute, five minute, and regulation) will actually resolve the problem. Instead, SCE believes the proposed new flexible RA construct could result in a costly redesign, which provides an overly complex solution that may or may not resolve the problem at hand, which is that the market cannot appropriately optimize the resources provided. While the CAISO has offered CPS1 violations as evidence of the “problem”, it is not clear to SCE that these violations are a result of a fleet of insufficient resources or an optimization process that utilizes the resources in a manner that cannot meet the CPS1 requirements.

<sup>1</sup> [http://www.caiso.com/Documents/Presentation-FlexibleResourceAdequacyCriteria\\_MustOfferObligationSep26\\_2017.pdf](http://www.caiso.com/Documents/Presentation-FlexibleResourceAdequacyCriteria_MustOfferObligationSep26_2017.pdf)

<sup>2</sup> [http://www.caiso.com/Documents/SCEComments\\_FlexibleResourceAdequacyCriteriaandMustOfferObligationPhase2-workinggroup.pdf](http://www.caiso.com/Documents/SCEComments_FlexibleResourceAdequacyCriteriaandMustOfferObligationPhase2-workinggroup.pdf)

<sup>3</sup> [SCE's analysis shows](#) current resources that meet the current three hour ramp requirement is sufficient to meet the expected ramping needs.