

Stakeholder Comments Template

Subject: Regional Resource Adequacy Initiative

Submitted by	Company	Date Submitted
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This template has been created for submission of stakeholder comments on the Straw Proposal for the Regional Resource Adequacy initiative that was posted on February 23, 2016. Upon completion of this template please submit it to initiativecomments@caiso.com. Submissions are requested by close of business on **March 16, 2016**.

Please provide feedback on the Regional RA Straw Proposal topics:

1. Load Forecasting

To develop system-wide forecast from individual forecasts, the CAISO needs those forecasts to have a consistent and similar methodology. In addition, the forecasts should be vetted by the local regulatory agency. For example, forecasts should be a 1 in 2 weather adjusted forecast, the treatment of DR & EE projects, etc., and any explanations of deviations from historical load patterns, etc. should be defined. The standards should be outlined in the appropriate tariff and business practice manual.

2. Maximum Import Capability Methodology

Currently, the CAISO determines the maximum import capability during the times of system peak. In the past, the CAISO system peak was correlated with significant amount of imports. However, the introduction of large amounts of renewables has created a net load peak (load less wind and solar) which is at a different time than the gross load peak. This may have an impact on when imports occur and therefore the calculation of when the maximum amount of imports occur. The CAISO should review the existing methodology and determine is modifications are required.

3. Internal RA Transfer Capability Constraints

Currently, the CAISO has established local capacity requirements (LCR) for resource adequacy which help to ensure sufficient local capacity is available to meet resource needs. The LCR recognizes that energy cannot always be sourced from a distance to meet local reliability needs. The establishment of internal transfer limitations also recognizes that energy cannot always be sourced outside a region. Given the growth in local RA requirements, it is not completely clear to SCE that both the local and the internal RA transfer capability constraints are still necessary. As such, SCE requests that the CAISO provide the rationale to continue with both constructs. SCE would appreciate real data on RA fleets and transfer capabilities after accounting for local resources to understand the magnitude of the issue.

In addition, the CAISO should define how such Internal RA Transfer Capability Constraints will be allocated. Currently, the allocation is to LSE's serving load in the sink area of the constraint. In other words, PG&E, CCAs, and ESPs serving load in the PG&E service territory, as well as municipalities north of path 15 are allocated the Internal RA Transfer Capability Constraints from south of path 15 to north of path 15. If the joining of PacifiCorp to the CAISO BA results in a new region north of California, will PacifiCorp only be entitled to an allocation on this new north of California region or will they also receive an allocation on path 15? While such a change for PacifiCorp may be relatively simple, the inclusion of other entities within the CAISO BA could prove to make this a complex topic. Understanding this complexity is important to allow market participants to determine if the Internal RA Transfer Capability Constraints rights ultimately will provide the necessary value.

4. Allocation of RA Requirements to LRAs/LSEs

SCE does not have comments at this time.

5. Updating ISO Tariff Language to be More Generic

SCE supports the need to make terms more generic, but does not offer any specific recommendations at this time.

6. Reliability Assessment

- a. Planning Reserve Margin for Reliability Assessment
- b. Resource Counting Methodologies for Reliability Assessment
- c. ISO Backstop Procurement Authority for Reliability Assessment

SCE does not have comments at this time.

7. Other

SCE does not have comments at this time.