

SDGE FLEXIBLE RAMPING PRODUCT STAKEHOLDER COMMENTS

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Submitted by	Company	Date Submitted
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SDG&E appreciates the CAISO's efforts to develop the Flexible Ramping Product (FRP) as a market-based ancillary service to improve real-time operation and reliability for the electric grid.

In order to better understand the new FRP 's procurement, operational use and market financial settlement, SDG&E requests examples of CAISO's market based design for the FRP real-time requirement in the Day ahead market (DAM), Fifteen minute market (FMM) and Real time market (RTM). In these examples, please provide the specific methodology used to determine the FRP real-time requirement for each CAISO market segment (DAM, FMM and RTM).

In regards to the FRP real-time requirement please provide transparency by identifying the variables that CAISO plans to use to determine the MW capacity that is procured by the CAISO and the statistical methodology to identify the upper and lower limit if the FRP requirement.

Because CAISO optimizes the real time markets on a forward look basis, examples should reflect the real life CAISO practice of co-optimizing energy, existing Ancillary services and the proposed FRP across the DAM, FMM and RTM optimization periods. SDGE is interested in the anticipated quantity and cost of additional "reliability reserved" capacity for purposes of managing the load uncertainty of the grid.

SDGE requests that the CAISO provide settlement examples for BCR, No Pay and normal settlement of FRP. In addition, SDGE requests that the settlement examples include all the perspectives of a market participant including the resource whose energy dispatch is held back for providing FRP capacity, allocation of FRP cost to self- schedules and resources that increase uninstructed imbalance energy.

SDGE also requests that the CAISO provide examples of existing Resource Adequacy and the proposed Flexible Resource Adequacy role and bidding rules for FRP.

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SDGE inquires as to why CAISO is proposing not to allow for market participants (MP) to bid into the RTM at T-75'? It is our understanding that the MP will only be able to bid into the FRP market with DAM bids.

Lastly, SDGE requests a pre-Go Live market simulation of the FRP.