

responsibility for Local Capacity Area Resources in each TAC Area in which the LSE serves Load.

40.3.3 Procurement Of Local Capacity Area Resources By LSEs

Nothing in this Section 40 (aside from the requirements to identify a quantity of Listed Local RA Capacity that meets or exceed³ the minimum quantity of Local Capacity Area Resources allocated to the Load Serving Entity per Sections 40.2.1.1(e) and 40.2.2.4(a))-obligates any Scheduling Coordinator to demonstrate on behalf of a Load Serving Entity that the Load Serving Entity has procured Local Capacity Area Resources to satisfy capacity requirements for each Local Capacity Area identified in the technical study. Scheduling Coordinators for Load Serving Entities may aggregate responsibilities for procurement of Local Capacity Area Resources. If a Load Serving Entity has procured Local Capacity Area Resources that satisfy generation capacity requirements for Local Capacity Areas, the Scheduling Coordinator for such Load Serving Entity shall include this information in its annual and monthly Resource Adequacy Plan(s).



40.4.7 Submission Of Supply Plans

40.4.7.1 Schedule for Submission of Supply Plans

Scheduling Coordinators representing Resource Adequacy Resources supplying Resource Adequacy Capacity shall provide the CAISO with annual and monthly Supply Plans, as follows:

- (a) The annual Supply Plan shall be submitted to the CAISO on the schedule set forth in the Business Practice Manual and shall verify their agreement to provide Resource Adequacy Capacity during the next Resource Adequacy Compliance Year. The annual Supply Plan may identify a Local Capacity Area Resource as Listed Local RA Capacity.
- (b) The monthly Supply Plans or the same information as required to be included in the monthly Supply Plan, plus any other information the CAISO requires as identified in the Business Practice Manual, shall be submitted to the CAISO at least 45 days in advance of the first day of the month covered by the plan, and in

For purposes of this section 40.9.3.6.1, the CAISO will treat any request to extend the scheduled duration of an outage or increase the MW amount of capacity on outage as a new outage request and will assign a new priority date based on when the request to change the outage or derate was submitted to the CAISO.

A resource designated to provide RA Substitute Capacity as part of the analysis conducted no later than 22 days before the start of each month must designate RA Substitute Capacity by the deadline specified in the relevant Business Practice Manual. Failure to designate the RA Substitute Capacity by the specified deadline will subject the resource to RAAIM unless the outage is cancelled or rescheduled.

40.9.3.6.2 CAISO Rolling Evaluation of Need for Substitute Capacity for Outages Submitted after T-25

Starting at twenty-four days before the start of a month, the CAISO will consider submitted Maintenance Outages for a substitution requirement on a rolling basis, based on time of submission. Upon submission of the outage request, the CAISO will determine for each day of the outage whether the CAISO will have sufficient operationally available RA Capacity from a combination of Local Capacity Area Resources and system capacity resources to meet or exceed the CAISO system RA Reliability Margin for each day. The CAISO will base this assessment on outages planned to be taken for that day and any RA Substitute Capacity already provided to the CAISO for that day.

If the CAISO determines that it will have sufficient operationally available RA Capacity to meet or exceed the CAISO system RA Reliability Margin for a particular day, then the supplier will not be required to provide RA Substitute Capacity for that day.

If the CAISO determines that it will not have sufficient operationally available RA capacity to meet the CAISO system RA Reliability Margin for a particular day, then it will request substitution for the resource for that day. Failure to designate RA Substitute Capacity by the deadline specified in the relevant Business Practice Manual will subject the resource to RAAIM unless the outage is cancelled or rescheduled.

The CAISO will not conduct an assessment to determine the need to provide RA Substitute Capacity for Forced Outages. Any such outage, irrespective of whether the resource is providing

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40.9.3.6.2
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RA Capacity or Flexible RA Capacity, will be subject to applicable RAAIM unless the Scheduling Coordinator for the resource provides Substitute Capacity by the deadline specified in the relevant Business Practice Manual, the outage is exempt from RAAIM as set forth in Section 9 or Section 40, the outage is cancelled, or the outage is rescheduled.

For purposes of this section 40.9.3.6.2, the CAISO will treat any request to extend the scheduled duration of an outage or increase the MW amount of capacity on outage as a new outage request and will assign a new priority date based on when the request to change the outage or derate was submitted to the CAISO. [For purposes of this section 40.9.3.6.2, the CAISO will reevaluate the need for a Scheduling Coordinator to provide RA Substitute Capacity where the Scheduling Coordinator requests to reduce the scheduled duration of an outage or decrease the MW amount of capacity on outage but will not assign a new priority date.]

40.9.3.6.3 General Provisions on Substitute Capacity

(a) **Substitution**

- (1) The Scheduling Coordinator for a Resource Adequacy Resource may provide RA Substitute Capacity for its local and/or system Resource Adequacy Capacity or Flexible RA Capacity on Outage, a Forced Outage or de-rate. Certain types of Outages, as defined elsewhere in Section 9 or Section 40, will not subject the Scheduling Coordinator for a Resource Adequacy Resource to RAAIM if it declines to provide RA Substitute Capacity.
- (2) If the Resource Adequacy Resource on outage and the substituting resource do not have the same Scheduling Coordinator, the Scheduling Coordinator for the substituting resource must confirm and approve the proposed substitution in accordance with the process set forth in the Business Practice Manual.

(b) **Availability**

- (1) RA Substitute Capacity must be operationally available to the CAISO:

- (2) Capacity on, or scheduled to be on, a Forced Outage, Approved Maintenance Outage, or de-rate ~~X~~ is not operationally available and shall not qualify to be RA Substitute Capacity for the duration of the period that it is unavailable. ✓
 - (3) ~~RA Replacement Capacity~~, RMR Capacity, CPM Capacity, and capacity committed to be Resource Adequacy Capacity in a monthly Supply Plan shall not qualify to be RA Substitute Capacity for the duration of that commitment.
 - (4) RA Substitute Capacity shall not qualify to be ~~RA Replacement Capacity~~, RMR Capacity, CPM Capacity, or Resource Adequacy Capacity in a monthly Supply Plan, for the duration of the substitution.
 - (5) If a resource provides RA Substitute Capacity for multiple Resource Adequacy Resources under Section 40.9.3.6.3~~7~~, the same capacity committed as RA Substitute Capacity for one Resource Adequacy Resource shall not qualify as RA Substitute Capacity for a different Resource Adequacy Resource during the same substitution period. ✓
 - (6) RA Substitute Capacity will be treated as Resource Adequacy Capacity during the period of substitution for purposes of a Forced Outage or de-rate allocation.
- (c) **Timing of Substitution Request**
- (1) **Day-Ahead Market.** Requests for substitution for Forced Outages in the Day-Ahead Market must be submitted in accordance with the timeline specified in the Business Practice Manual and be approved by the CAISO to be included in the Day-Ahead Market for the next Trading Day. Requests for substitution for Forced Outages in the Day-Ahead Market submitted at or after the timeline specified in the Business Practice Manual and that are approved by the CAISO will be included in the Day-Ahead Market for the second Trading Day.
 - (2) **Real-Time Market.** Requests for substitution for Forced Outages in the Real-Time Market must be submitted in accordance with the timeline in the Business Practice Manual.

40.9.3.6.14 RA Substitute Capacity From A Single Resource

(a) **Option.** The Scheduling Coordinator for a Resource Adequacy Resource that is on a ~~Forced Outage or de-rate~~ Outage may provide RA Substitute Capacity for that capacity from a single resource.

(b) **Local Capacity Area Resource Substitution**

(1) **Pre-Qualified Substitution.**

(A) **Annual Process.** The CAISO annually will ~~annually~~ conduct a process to assess the eligibility of resources to pre-qualify as RA Substitute Capacity for Local Capacity Resource Adequacy Resources that potentially could be Listed Local RA Capacity in the time period covered by the process. The CAISO will publish a list of the pre-qualified resources in accordance with the timeline in the Business Practice Manual.

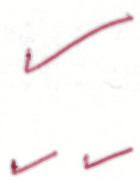
(B) **Pre-Qualification Requirement.** The CAISO will pre-qualify a resource to provide RA Substitute Capacity that is located at the same bus as, or a compatible bus to, that of the Local Capacity Area Resource Adequacy Resource for which it could substitute.

(C) **Request.** To use a pre-qualified resource in the Day-Ahead Market or Real-Time Market as RA Substitute Capacity, the Scheduling Coordinator for the Local Capacity Area Resource Adequacy Resource ~~on a Forced Outage or de-rate~~ on Outage must submit a timely substitution request in accordance with Section 40.9.3.6.14(c).

(D) **Approval.** The CAISO will grant a request that meets the requirements in Sections 40.9.3.6.14⁴(b)(1)(C) and 40.9.3.6.14³(b).

(2) **Non-Pre-Qualified Substitution.**

(A) **Day-Ahead Market.** The Scheduling Coordinator for a ~~Local Capacity Area Resource Adequacy Resource~~ Listed Local RA Capacity on a



~~Forced Outage or de-rate Outage~~ may submit a request to substitute a non-pre-qualified resource only in the Day-Ahead Market.

- (B) **Request.** To use a non-pre-qualified resource as RA Substitute Capacity, the Scheduling Coordinator for the Listed Local RA Capacity ~~Local Capacity Area Resource Adequacy Resource~~ must submit a timely substitution request in accordance with Section 40.9.3.6.4(c), and the alternate resource must be located in the same Local Capacity Area.
- (C) **Approval.** The CAISO will grant a request that meets the requirements in Sections 40.9.3.6.4(b)(2)(A) and (B), and 40.9.3.6.4(b).

(c) **Non-Local Capacity Area Resource Substitution**

- (1) **Request.** To use a resource as RA Substitute Capacity, the Scheduling Coordinator for RA Capacity other than Listed Local RA Capacity ~~non-Local Capacity Area Resource Adequacy Resource~~ that has an Outage ~~Forced Outage or de-rate~~ must submit a timely substitution request in the Day-Ahead Market or Real-Time Market in accordance with Section 40.9.3.6.4(c).
- (2) **Approval.** The CAISO will grant the request if the alternate resource has adequate deliverable capacity to provide the RA Substitute Capacity and meets the requirements in Sections 40.9.3.6.4(c)(1) and 40.9.3.6.4(b).

(d) **External Resources**

- (1) **Request.** To use a Dynamic System Resource, Non-Dynamic System Resource, NRS-RA Resource, or Pseudo-Tie as RA Substitute Capacity, the Scheduling Coordinator for a Resource Adequacy Resource that has an Outage ~~a Forced Outage or de-rate~~ must submit a timely substitution request in the Day-Ahead Market in accordance with Section 40.9.3.6.4(c).
- (2) **Approval.** The CAISO will grant the request if the alternate resource is external to the CAISO Balancing Authority Area (including Pseudo-Ties), the Scheduling Coordinator for the resource has an adequate available import allocation at the

resource's Scheduling Point to provide the RA Substitute Capacity, and meets the requirements in Sections 40.9.3.6.4⁴(d)(1) and 40.9.3.6.4²(b).

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(e) **Flexible RA Capacity**

(1) **Request.** To use a resource as RA Substitute Capacity, the Scheduling Coordinator for the Flexible RA Resource that has a Forced Outage or de-rate must submit a timely substitution request in the Day-Ahead Market or Real-Time Market in accordance with Section 40.9.3.6.3³(c) and specify the MW of RA Substitute Capacity to be provided, which may not exceed the MWs of the outage.

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(2) **Approval.** The CAISO will grant the request if the alternate resource has adequate deliverable capacity to provide the RA Substitute Capacity, meets the applicable requirements in Sections 40.9.3.6.4⁴(e) and 40.9.3.6.4³(b), and is capable of meeting the must-offer obligation in Section 40.10.6 applicable to the highest quality Flexible Capacity Category for the MWs of the Flexible RA Capacity commitments of the resource on outage and the alternate resource.

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40.9.3.6.2.5 RA Substitute Capacity From Multiple Resources

(a) **Option.** The Scheduling Coordinator for a Resource Adequacy Resource on Outage ~~Forced Outage or de-rate~~ may submit a request to substitute that capacity with RA Substitute Capacity from multiple alternate resources, including a resource already providing RA Substitute Capacity for one or more Resource Adequacy Resources.

(b) **Local Capacity Area Resource Substitution**

(1) **Request.** To use RA Substitute Capacity from multiple resources, the Scheduling Coordinator for the Listed Local RA Capacity ~~Local Capacity Area Resource Adequacy Resource~~ on a Forced Outage or de-rate ~~Outage~~ must submit a timely substitution request in the Day-Ahead Market in accordance with Section 40.9.3.6.3³(c) if any of the alternate resources are not pre-qualified to substitute for the resource on the outage; however, if all of the alternate

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resources are pre-qualified to provide RA Substitute Capacity for that resource, the request may be submitted in the Day-Ahead Market or Real-Time Market.

- (2) **Approval.** The CAISO will grant the request if it meets the requirements in Sections 40.9.3.6.2⁵(b)(1) and 40.9.3.6.2³(c) and the alternate resources are either pre-qualified, or are not pre-qualified but are located in the same Local Capacity Area as the Resource Adequacy Resource.

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(c) **Non-Local Capacity Area Resources**

- (1) **Request.** To use RA Substitute Capacity from multiple resources, the Scheduling Coordinator for RA Capacity other than Listed Local RA Capacity non-Local Capacity Area Resource Adequacy Resource on a Forced Outage or ~~de-rate~~Outage must submit a timely substitution request in the Day-Ahead Market or the Real-Time Market in accordance with Section 40.9.3.6.2³(c).

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- (2) **Approval.** The CAISO will grant the request if all of the alternate resources meet the requirements in Sections 40.9.3.6.2⁵(c)(1) and 40.9.3.6.2³(c).

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(d) **External Resources**

- (1) **Request.** To use multiple Dynamic System Resources, Non-Dynamic System Resources, NRS-RA Resources, or Pseudo-Ties as RA Substitute Capacity, the Scheduling Coordinator for a Resource Adequacy Resource that has a ~~Forced Outage or de-rate~~n Outage must submit a timely substitution request in the Day-Ahead Market in accordance with Section 40.9.3.6.2³(c).

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- (2) **Approval.** The CAISO will grant the request if the alternate resources are external to the CAISO Balancing Authority Area (including Pseudo-Ties), and the Scheduling Coordinator of each alternate resource has an adequate available import allocation at the resource's Scheduling Point to provide the RA Substitute Capacity, and meet the requirements in Sections 40.9.3.6.2⁵(d)(1) and 40.9.3.6.2³(b).

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(e) **Flexible RA Capacity**

- (1) **Request.** To use RA Substitute Capacity from multiple resources, the Scheduling Coordinator for a resource providing Flexible RA Capacity on a Forced Outage or de-rate must submit a timely substitution request in the Day-Ahead Market or the Real-Time Market and the alternate resources must be located in the CAISO Balancing Authority Area, which does not include a Pseudo-Tie of a Generating Unit or a Resource-Specific System Resource.
- (2) **Approval.** The CAISO will grant the request if the alternate resources meet the requirements in Sections 40.9.3.6.2⁵(d)(1) and 40.9.3.6.4³(c).

40.9.3.6.36 Multiple Substitution by One Resource. The Scheduling Coordinator for a resource already providing RA Substitute Capacity may provide RA Substitute Capacity for one or more additional Resource Adequacy Resources on a ~~Forced Outage or de-rate~~ ⁴Outage, subject to approval by the CAISO pursuant to Section 40.9.3.6.4⁵ or 40.9.3.6.2⁵.

40.9.3.6.47 Resource Adequacy Obligation. To the extent a resource provides RA Substitute Capacity, the resource must meet and comply with all requirements in Section 40 applicable to RA Substitute Capacity for the duration of the substitution; except that RA Substitute Capacity shall be released from this obligation and the substitution requirements in Section 40.9 –

- (a) at the end of the approved substitution period; or
- (b) upon request by either the Scheduling Coordinator for the resource on ~~Forced Outage~~ or the Scheduling Coordinator for the substitute resource, and approval by the other Scheduling Coordinator, in accordance with the process set forth in the Business Practice Manual;

40.9.3.6.58 Treatment of Unbid Capacity. If the Scheduling Coordinator for RA Substitute Capacity does not submit Bids or Self-Schedules for all or a portion of that capacity in accordance with Section 40.6 or 40.10.6, the CAISO --

- (1) will treat the unbid capacity as unavailable for purposes of Section 40.9; and
- (2) will reflect that unavailability in the RAAIM availability calculation for the Resource Adequacy Resource providing the RA Substitute Capacity.

Non-Specified RA Replacement Capacity [Not Used]

Capacity the Load Serving Entity procured that is capable of providing Resource Adequacy Capacity, but not designated as Resource Adequacy Capacity in the Load Serving Entity's monthly Resource Adequacy Plan for the month.

- Local Capacity Area Resource Deficiency

The monthly difference in MW between any applicable Local Capacity Area Resource requirements for an LSE as established pursuant to Section 40.3.2 and the quantity of monthly MW shown in the LSE's LSE's Resource Adequacy Plan.

- Local Capacity Area Resources

Resource Adequacy Capacity from a Generating Unit listed in the technical study or Participating Load or Proxy Demand Resource or Reliability Demand Response Resource that is located within a Local Capacity Area capable of contributing toward the amount of capacity required in a particular Local Capacity Area.

Listed Local RA Capacity

The capacity of Local Capacity Area Resources that, subject to resolution of a potential discrepancy as provided in Section 40.7(b), is identified on a Load Serving Entity's Resource Adequacy Plan and a supplier's corresponding Supply Plan as being obligated (for the purposes of sections 40.9.3.6.5 and 40.9.3.6.6) to provide RA Substitute Capacity from the same Local Capacity Area.

Off-Peak Opportunity RA Maintenance Outage

A Maintenance Outage at a Resource Adequacy Resource that is approved by the CAISO to be initiated and completed during off-peak hours (as specified in the Business Practice Manual) without RA Replacement Substitute Capacity for the Resource Adequacy Capacity on the outage or de-rate Outage.

RA Maintenance Outage With Replacement Substitution

A Maintenance Outage, or change to an Approved Maintenance Outage, at a Resource Adequacy Resource that the CAISO receives no more than forty-five days prior to the first day of the resource adequacy month for which the outage is requested and no less than eight days prior