

Stakeholder Comments Template

Reliability Services Initiative - Phase 2

Draft Final Proposal

Submitted by	Company	Date Submitted
Bonnie Blair 202-585-6905	Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California (“Six Cities”)	February 26, 2016

This template has been created for submission of stakeholder comments on the draft final proposal for the Reliability Services Initiative - Phase 2 that was posted on January 26, 2015. The draft final proposal and other information related to this initiative may be found at:
<http://www.caiso.com/informed/Pages/StakeholderProcesses/ReliabilityServices.aspx>.

Upon completion of this template, please submit it to initiativecomments@caiso.com. Submissions are requested by close of business on **February 26, 2016**.

If you are interested in providing written comments, please organize your comments into one or more of the categories listed below.

1. Clarify Local Regulatory Authority (LRA) interaction and process alignment

Six Cities’ Comments: The Six Cities take no position on this topic.

2. Substitution for flexible capacity resources on planned outage

Six Cities’ Comments: The Six Cities support the ISO’s determination to allow substitution for flexible capacity on planned outage based on an affirmative attestation that the substitute capacity can meet the must offer obligation of the resource on outage for the duration of the outage, rather than requiring the substitute capacity to meet all qualifications for the “same category or better” of flexible capacity.

3. Separate local and system RA for purpose of forced outage substitution

Six Cities’ Comments: The Six Cities support the ISO’s proposals (i) to allow system capacity to substitute for capacity that is located in a local area but has been shown for system RA when such capacity is subject to forced outage, and (ii) to allow for MWs of capacity from a resource, rather than the entire resource, to be designated as local capacity.

4. Process to update EFC list during the year

Six Cities' Comments: The Six Cities support allowing updates to Net Qualifying Capacity (“NQC”) or Effective Flexible Capacity (“EFC”) values, either for increases or decreases, to reflect changes in operating characteristics.

As discussed in their December 9, 2015 comments on the Second Revised Straw Proposal, the Six Cities encourage the ISO to target publication of revised NQC and EFC lists by T-45D, where T is the deadline for submitting the annual RA showing, and to schedule necessary coordination with LRAs with that target date as a guiding objective.

4. Address the RAIM exemption currently in place for combined flexible capacity resources

Six Cities' Comments: The Six Cities support the quasi-resource concept for applying RAIM to combination flexible capacity resources as described in the Draft Final Proposal. For clarification, the Six Cities understand that the change in terminology from “pseudo-resource” as used in the Second Revised Straw Proposal to “quasi-resource” as used in the Draft Final Proposal does not affect the substance of the proposal, and that the quasi-resource concept as described in the Draft Final Proposal is substantively equivalent to the pseudo-resource concept as described in the Second Revised Straw Proposal.

5. Streamlining monthly RA showings

Six Cities' Comments: The Six Cities support the ISO’s proposal to automatically roll all RA showings made in annual plans into the monthly showings for all LSEs, while allowing LSEs to modify any monthly showing as necessary to reflect changes from the annual plan.

6. Other

For clarity, the Six Cities recommend that the ISO conform the terminology in Appendix D to the Draft Final Proposal to the draft tariff language proposed for the RSI 1B amendments by referring to “substitute” capacity rather than “replacement” capacity.