

July 10, 2015

**COMMENTS ON BEHALF OF THE CITIES OF ANAHEIM, AZUSA, BANNING,
COLTON, PASADENA, AND RIVERSIDE, CALIFORNIA ON THE RELIABILITY
SERVICES INITIATIVE – PHASE 2 AND FLEXIBLE RESOURCE ADEQUACY
CRITERIA AND MUST OFFER OBLIGATION – PHASE 2 ISSUE PAPER**

In response to the ISO’s request, the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California (collectively, the “Six Cities”) submit the following comments regarding the ISO’s June 25, 2015 Reliability Services Initiative – Phase 2 and Flexible Resource Adequacy Criteria and Must Offer Obligation – Phase 2 Issue Paper:

The Six Cities generally agree that the description of topics to be considered and the processes proposed in the RSI 2/FRAC MOO 2 Issue Paper are appropriate. However, the Six Cities urge the ISO to include as an integral and explicit part of the analytical process for both initiatives consideration of implementation costs and increases in complexity compared with anticipated benefits for any market design revisions that are considered under these initiatives, as well as less costly or complex alternatives for addressing operational needs.

Submitted by

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