Stakeholder Comments Template

Submitted by	Company	Date Submitted
Carrie Bentley	Western Power Trading Forum	June 6, 2017

Please use this template to provide your written comments on the stakeholder initiative "Capacity Procurement Mechanism Risk-of-Retirement ("CPM ROR") Process Enhancements."

Submit comments to InitiativeComments@CAISO.com

Comments are due June 6, 2017 by 5:00pm

The Issue Paper posted on May 10, 2017 and the presentations discussed during the May 18 and 25, 2017 working group meetings can be found on the <u>CPM ROR</u> webpage.

Please use this template to provide your written comments on the issue paper topics listed below and any additional comments that you wish to provide.

1. <u>Problem Statement and Scope of Initiative</u>

Please provide any comments on the problem statement and scope of this initiative.

Comments: WPTF appreciates the CAISO addressing the deficiencies with the current CPM ROR and focusing this initiative on small changes that could move forward quickly. WPTF also supports addressing the situation where multiple resources come in at the same time.

2. Identified Issues

Please provide any comments on the issues that have been identified thus far in the initiative, including if there are other issues that you would like to identify.

Comments: WPTF supports the identified issues and appreciates that the ISO has added evaluating relaxing the attestation language to the list. That said, we acknowledge that the CPM ROR process will not work for everyone and do not think the ISO has to completely ensure the process works for all resources, at all times. We believe issues that run into large road blocks

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due to affecting other policy (e.g. timing) do not necessarily need to be fully addressed. If the ISO simply made the process a little better- by relaxing the attestation, clarifying the term length, and implementing a deadline once or twice a year, WPTF believes the process would at least be workable and therefore a vast improvement over current policy.

Additionally, WPTF believes that there is the opportunity for process improvements (detailed below) that will not need to be in tariff.

3. Other Comments

Please provide any additional comments not associated with the topics listed above.

Comments: WPTF understands that the certain generator owners would prefer for the timing to be changed so that they could apply for ROR CPM prior to the annual RA auction. This would provide the owners with additional time and the ability to potentially lower costs more quickly.

Based on the existing processes for CPM ROR, RMR and normal retirement, each time a resource submits a request, the CAISO must perform a unique study specific for that resource. This does not provide the CAISO with any options to select the most necessary resources for reliability. WPTF supports the following recommendations made by Nuo Tang, SDG&E, at the May 25th working group meeting.

- 1. Consolidate the CPM ROR and normal retirement process into one single process for designation.
- 2. Establish a deadline in which the CAISO will consider requests for the following year this deadline could be once or twice per year
- 3. Allow resources under RA contract to request retirement
- 4. Resources *may* be placed on temporary suspension if not under RA commitment starting 90 days from the day of request and lasting until when the resource is allowed to retire
- 5. Because the resource is placed under temporary suspension, any additional studies for the intra-year will be study the reliability impact through the temporary suspension of resource operation process for the need for the remainder of the year
- 6. The CAISO will study all resource requests in a cluster at the same time for the following 2 years and have better capability to select the resources that will be allowed to retire
- 7. If a resource misses the deadline, then it *may* be placed under temporary suspension until the following year's study process

This process would essentially remove the normal retirement process. This is necessary since the CAISO studies the reliability impact for normal retirements even if the resource does not seek for CPM ROR.

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WPTF looks forward to future discussion on this topic and SDG&E's proposal.

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