



Stakeholder Comments Template

Maximum Import Capability Stabilization and Multi-year Allocation

This template has been created for submission of stakeholder comments on the Maximum import capability stabilization and multi-year allocation second revised straw proposal that was published on May 21, 2020. The paper, stakeholder meeting presentation, and other information related to this initiative may be found on the initiative webpage at: <http://www.caiso.com/StakeholderProcesses/Maximum-import-capability-stabilization-multi-year-allocation>.

Upon completion of this template, please submit it to regionaltransmission@caiso.com. Submissions are requested by close of business on **June 11, 2020**.

Submitted by	Organization	Date Submitted
<i>Steve Greenleaf (916) 802-5420</i>	<i>Brookfield Renewable</i>	<i>June 11, 2020</i>

Please provide your organization's overall position on the Maximum Import Capability and Multi-year Allocation second revised straw proposal:

- Support
- Support w/ caveats
- Oppose
- Oppose w/ caveats
- No position

Please provide your organization's comments on the following issues and questions.

1. Maximum Import Capability Stabilization

Please provide your organization's feedback on the maximum import capability stabilization topic as described in section 5.1. (Please indicate Support, Support with caveats, Oppose, or Oppose with caveats)

Please provide additional details to explain your organization's position and include supporting examples if applicable:

No comment.

2. Available Import Capability Multi-year Allocation Process

Please provide your organization's feedback on the available import capability multi-year allocation process topic as described in section 5.2. (Please indicate Support, Support with caveats, Oppose, or Oppose with caveats)

Brookfield Renewable supports, as an interim measure, the CAISO's proposal to permit load-serving entities (LSEs) to utilize up to 75% of their annual allocated maximum import capability (MIC) to assign branch group capability to support multi-year resource adequacy (RA) contracts. While Brookfield Renewable understands the CAISO's position to always respect an LSE's load ratio share (rather than RA contract values) due to year-to-year changes in a LSE's load and thus load-ratio share, on a long-term basis, it is more important for the CAISO to respect long-term import RA contract values. Although the LSE landscape in California is dynamic and evolving, the number and load-ratio share of LSEs will stabilize over the next several years and thus the concern about stranded LSE MIC (due to load migration) may be overstated. Based on that, and potential changes to the structure of the RA market that are slated to be considered in upcoming tracks of the California Public Utilities Commission's (CPUC) RA proceeding, including consideration of multi-year system and flexible RA requirements, Brookfield Renewable recommends that the CAISO implement its proposed load-ratio share weighted MIC allocation proposal on an interim basis (e.g., two years) and then transition to an RA contract based (or weighted) allocation so that LSEs can have certainty with respect to their ability to rely on import RA contracts. After that point, to the extent that an LSE's load ratio share changes and/or it has excess RA contracts, they can sell their excess RA position, as they do today. The CAISO's proposal to provide more transparent information on MIC ownership and shares will facilitate such transfers.

Notwithstanding its qualified support for the above-noted aspect of the CAISO's proposal, Brookfield Renewable opposes the requirement that any supporting RA contracts be resource specific and that an RA contract must cover the summer months (June-September) in order to be eligible for a one-year lock. Consistent with its comments in the CAISO's RA Enhancements initiative, Brookfield Renewable believes that non-resource specific (NRS) import RA contracts – including firm energy contracts – should continue to count as RA and, with respect to this initiative, qualify to support an LSE's request to lock in MIC. As recently stated in the proposed decision in Track 1 of the CPUC's RA proceeding, no party has demonstrated that NRS import RA contracts have failed to perform. Since the CPUC proposes to retain NRS RA imports, it is important that the CAISO also maintain the ability of LSEs to rely on NRS RA imports.

Finally, with respect to the summer month requirement, while Brookfield Renewable appreciates the CAISO's attempt to establish a contract/lock-in priority for peak load month

contracts and/or prevent LSEs from locking up MIC for a year based on a short-term (e.g., one month) RA contract, Brookfield Renewable points out that import RA contracts can play an important role in ensuring reliability in the non-summer months. First, import RA resources can play an important role in offering supply during the peak generator maintenance periods of the year. Second, import RA is an important source of less expensive carbon-free reliable energy during the Spring months. Brookfield therefore urges the CAISO to remain open to and consider criteria that enable non-summer month import RA contracts to qualify an LSE to lock in MIC for a year.

Please provide additional details to explain your organization's position and include supporting examples if applicable:

Additional comments

Please offer any other feedback your organization would like to provide on the Maximum import capability stabilization and multi-year allocation revised straw proposal.