



## Stakeholder Comments Template

### Day-Ahead Market Enhancements

This template has been created for submission of comments on proposed market design options discussed with stakeholders during the June 20, 2019 Day-Ahead Market Enhancements workshop. Information related to this initiative is available on the initiative webpage at: <http://www.caiso.com/informed/Pages/StakeholderProcesses/Day-AheadMarketEnhancements.aspx>.

Upon completion of this template, please submit it to [initiativecomments@caiso.com](mailto:initiativecomments@caiso.com). Submissions are requested by close of business on July 11, 2019.

Submitted by	Organization	Date Submitted
<i>Sandeep Arora</i>	<i>LS Power</i>	<i>7/11/19</i>

Please provide comments on the proposed formulation options described below. In your comments, please explain your rationale and include examples if applicable. Also, recommend any analysis and data that your organization believes would be helpful to review on these option. Include details and explain your reasoning for the type of analysis and data that you suggest.

- At this time, does your organization support moving forward with **Option 1: Sequential Integrated Forward Market followed by an after-market Reliability and Deliverability Assessment (Sequential IFM-RDA)**, **Option 2: Integrated IFM and Residual Unit Commitment (Integrated IFM-RUC)**, or **undecided**. Provide supportive comments (in favor of, or in opposition to) below.

**Please double click on check box below to select your position:**

<p><b><u>Option 1:</u></b></p> <p><input type="checkbox"/> Support</p> <p><input type="checkbox"/> Support with caveats</p> <p><input type="checkbox"/> Oppose</p> <p><input type="checkbox"/> Uncdecided</p>	<p><b><u>Option 2:</u></b></p> <p><input checked="" type="checkbox"/> Support</p> <p><input type="checkbox"/> Support with caveats</p> <p><input type="checkbox"/> Oppose</p> <p><input type="checkbox"/> Uncdecided</p>
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Option 1: Sequential IFM-RDA

**Please provide comments to explain your position on Option 1:**

Option 2: Integrated IFM-RUC

**Please provide comments to explain your position on Option 2:**

*Option 2 provides a more comprehensive solution through the market and should require significantly less operator intervention post IFM which promotes transparency and efficiency.*

2. Please identify any specific data analysis that your organization recommends. Indicate the data request(s), the purpose of the request(s), and how the request(s) will advise the determination of the day-ahead market formulation, or will assist with determining the procurement target for the new day-ahead product.

**Comments:**

*We recommend that an Energy Storage project be also added to the Solver Sheet so the full market participation of storage including Settlement aspects can be understood for the two proposed options.*

3. Please offer any other feedback your organization would like to provide on presentation materials and discussion for the June 20, 2019 Day-Ahead Market Enhancements stakeholder workshop.

**Comments:**

*LS Power has these additional feedback items:*

- 1) *We support CAISO in development of both the Flexible Ramping and Flexible Resource Adequacy products and agree that the two activities are complementary, interrelated and should be closely coordinated. Flexible Ramping is meant to insure CAISO has the necessary resource the next day to manage intermittency and volatility. Flex RA is there to insure that CAISO has the correct resources to manage intermittency and volatility 1, 3 and more years in advance. LS Power agrees with the CAISO that both the long and*

*short term reliability and flexibility resource requirements are best addressed with two market-based products. We further agree that not only Flexible Ramping Up is needed, but procuring Flexible Ramping Down is equally necessary to ensure the flexibility problem is solved through market solutions, rather than Operators taking Out of Market actions.*

*2) Energy Storage projects provide flexibility for their entire operating range (i.e. from full charge to full discharge) and hence this entire range should be eligible to offer in the Flexible Ramping product.*

*3) Non-Generator Resources providing Ancillary Services:*

*Currently NGR resources providing Ancillary Services get awards based on their 1 hour dispatch capability. This is primarily due to the current 1 hour optimization construct for the Day Ahead market and is not in line with CAISO's tariff and BPM definitions of Ancillary service, which state this to be a 30 min product. The issue for NGRs would have been resolved if CAISO proceeded to implement a 15 min market in Day Ahead. Since CAISO is no longer proceeding with a Day Ahead 15 min market, the NGR AS issue should be resolved in DAME. Non-generating resources (NGRs) with a state of charge should be required to be capable of a 30 minute discharge to be awarded regulation-up, spinning reserves and non-spinning and 30 minute charge to be awarded regulation down and not 1-hour. We recommend that CAISO include this issue in the scope for DAME.*