Stakeholder Comments Template

PDR - Resource Adequacy Clarifications Initiative

- Effective Flexible Capacity Value for Proxy Demand Resources Tariff Clarifications
- Slow Demand Response Final Proposal (formerly within RA Enhancements initiative)

The meeting material and other information related to this initiative may be found on the initiative webpage at: http://www.caiso.com/StakeholderProcesses/Proxy-demand-resource-resource-adequacy-clarification

Upon completion of this template, please submit it to initiativecomments@caiso.com. Submissions are requested by close of business on May 8, 2020.

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<th>Submitted by</th>
<th>Organization</th>
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<tr>
<td>Anja Gilbert</td>
<td>PG&amp;E</td>
<td>May 13, 2020</td>
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Please provide your organization’s comments on the following topics and indicate your organization’s position on the topics below (Support, Support with caveats, Oppose, or Oppose with caveats). Please provide examples and support for your positions in your responses, as applicable.

1. Effective Flexible Capacity (EFC) for PDRs

Support.

PG&E supports the various provisions in CAISO’s proposal to establish the EFC for PDR, including:

- Using the formula in CAISO’s tariff section 40.10.4.1 (a);
- Enforcing the testing requirement that require a resource to justify their Master File parameters; and
- Clarifying the bidding requirements that PDR would need to bid in the five minute market – as well as the associated tariff clarification to section 40.10.3.5 which make PDR that had elected hourly or 15 minute dispatch option ineligible to provide flex RA.
2. Slow Demand Response (DR)

Please provide your organization's feedback on the Slow DR final proposal and tariff clarifications.

Oppose.

PG&E opposes CAISO's proposal that only slow DR that is on a supply plan may count for local RA. As stated in PG&E’s previous comments, PG&E makes these resources available to the market through its daily reports and market bids. The issue of how DR resources count for RA is up to the California Public Utilities Commission (CPUC), and this change is premature prior to a CPUC decision in the CPUC’s Track 2 proceeding.

There is also value in what the resource provides in 20 minutes as it is ramping to full output and that quantity should also be captured. Accordingly, PG&E recommends CAISO work with stakeholders on a proposal to estimate the ramping value of resources (i.e., the ramping value of PG&E’s Base Interruptible Program in 20 minutes which participates as Reliability Demand Response Resource) and approach to counting these resources for local RA.

Additional comments

Please offer any other feedback your organization would like to provide on the PDR-RA Clarifications initiative.