

## Stakeholder Comments

### ESDER 2 Working Group on Use Limitations for Storage Resources

Submitted by	Company	Date Submitted
Leo Kim – (626) 302-1665 Kris Van Vactor – (626) 302-3158	Southern California Edison	September 19, 2016

Southern California Edison (SCE) would like to thank the California Independent System Operator (CAISO) for the opportunity to participate in the ESDER Phase 2 Working Group on Use Limitations for Storage Resources. SCE offers the following comments on the working group discussion.

Energy storage resources can have exogenous limitations that cannot be optimized within the market, such as daily and annual throughput limits due to the design considerations of the resource. These design considerations are determined during the procurement and contracting of the resources and generally have no other documentation other than the contract itself. Due to difficulty in representing these limitations within the current market structure, SCE is seeking to establish how these design limitations can be represented.

The definition of Use Limited Resource (ULR) was narrowed in the Commitment Costs Enhancement Phase 3 (CCE3) initiative to apply only to those resources with a need to represent an opportunity cost in their commitment costs. Because that initiative is still pending FERC approval, SCE would like to pursue the ability to represent use limitations for energy storage resources as a Non-Generating Resource (NGR) model enhancement but is still open to defining ULRs to include energy storage resources.

#### **Daily Energy Limit**

SCE supports the proposal to allow for a Daily Energy Limit outlined by PG&E. A biddable daily energy limit parameter currently in use for hydro and use-limited peakers could also help manage annual use limitations. During the workshop, the CAISO asked stakeholders if there was

a preference to make this a daily biddable parameter or an RDT value. SCE does not have a preference at this time.

### **Outage card exempting RAAIM for use limitation reached**

SCE supports the use of outage cards exempting RAAIM for use limitation reached.

### **Major Maintenance Adder (MMA) for Energy Storage**

SCE supports the concept of an MMA for energy storage resources. However MMA is normally applied to commitment costs which are not common for energy storage resources. SCE would like to better understand how MMA could be used within the NGR model.

### **Other issues**

SCE is in favor of other NGR enhancements such as multiple bid stacks, or Multi-Stage Generation (MSG) capabilities but believes them to be out of scope for this use limitations workshop. SCE would like to see these issues revisited in a future ESDER initiative.