



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>Ravi Sankaran</i>	<i>Southwestern Power Group</i>	<i>June 10, 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:

Southwestern Power Group (SWPG) has no issues with the CAISO proposed adjustment to the two highest actual import hours as described in the white paper section 4.1. SWPG is concerned however that by only looking at past energy imports that the MIC availability will fail to recognize the changing landscape of future desired imports and RA provision.

For example, SWPG and its partner, Pattern Energy, are marketing wind energy from New Mexico, some of which will be delivered to the Willow Beach ISO Scheduling Point. In recent years Willow Beach has seen a decline in energy imports – especially as the Four Corners coal plant shut down. However, limiting the MIC availability to only what has happened in the past year will necessarily mean that each year additional wind energy comes on line there will be insufficient MIC to ensure the import of that resource's RA. SWPG strongly encourages the CAISO to look to additional sources of information, such as LSEs' CPUC integrated resource plan (IRP) data, to assess the MIC needs going forward rather than simply using the outdated energy import data. If the CPUC IRP data is not available to the CAISO or not acceptable as a source, SWPG is pleased to discuss with the CAISO mechanisms the CAISO could use to determine whether the past imported energy will or will not provide sufficient MIC for the upcoming year's LSE RA needs.

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)

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

Following the CAISO's Revised Straw Proposal, SWPG supported allocation with a preference for respecting RA contracts (Alternative 1). SWPG recognizes the CAISO's motivation for supporting Alternative 2 which respects Load Ratio Share. SWPG supports the proposed simplifications, finding that they will be commercially easier to manage and thereby reduce costs for market participants.

SWPG also supports the aspect of the CAISO's proposal which allows LSEs to specify a priority order, or to choose to indicate a pro-rata adjustment, under the circumstance where the LSE would need to give up some level of locked MIC allocation due to reduced load share. (The CAISO's proposal is in contrast to, for example, SCE's proposal made during the stakeholder call which would require prorata reductions in

all MIC allocations that an LSE held.) Allowing the LSE to specify the MIC that is surrendered allows the LSE to best manage its portfolio and business decisions.

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.