Stakeholder Comments Template

Resource Adequacy Enhancements

This template has been created for submission of stakeholder comments on the Resource Adequacy Enhancements fourth revised straw proposal that was published on March 17, 2020. The proposal, stakeholder meeting presentation, and other information related to this initiative may be found on the initiative webpage at: http://www.caiso.com/StakeholderProcesses/Resource-Adequacy-Enhancements

Upon completion of this template, please submit it to initiativecomments@caiso.com. Submissions are requested by close of business on April 7, 2020.

<table>
<thead>
<tr>
<th>Submitted by</th>
<th>Organization</th>
<th>Date Submitted</th>
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<tbody>
<tr>
<td>Brad Van Cleve</td>
<td>Valley Electric Association</td>
<td>April 14, 2020</td>
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</tbody>
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Please provide your organization’s overall position on the RA Enhancements fourth revised straw proposal:

- [ ] Support
- [x] Support w/ caveats
- [ ] Oppose
- [ ] Oppose w/ caveats
- [ ] No position

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

1. **System Resource Adequacy**
   
   Please provide your organization’s feedback on the System Resource Adequacy topic as described in section 4.1. Please explain your rationale and include examples if applicable.

   a. Please provide your organization’s feedback on the System RA Showings and Sufficiency Testing topic as described in section 4.1.1. Please explain your rationale and include examples if applicable.

      **VEA takes no position on the the System RA Showings and Sufficiency Testing topic.**
b. Please provide your organization’s feedback on the Planned Outage Process Enhancements topic as described in section 4.1.2. Please explain your rationale and include examples if applicable.

   i. Please provide your organization’s feedback on when bids should be submitted and how and when they could be changed under Option 2: CAISO procures all planned outage substitution capacity, and what are the implications of doing so under any proposed option.

   ii. Please provide your organization’s feedback on whether or not the Planned Outage Substitution Capacity Bulletin Board is necessary and, if so, why given the effort to develop and maintain.

VEA takes no position on the Planned Outage Process Enhancements topic.

c. Please provide your organization’s feedback on the RA Import Provisions topic as described in section 4.1.3. Please explain your rationale and include examples if applicable.

VEA submits the following comments on the RA Import Provisions topic:

The CAISO should clarify that an LSE may substitute different qualifying resources in a monthly RA plan from those shown in an annual RA plan. In addition, attestations and supporting documentation should only be required for month-ahead RA showings.

The CAISO should implement changes to the RA import requirements no sooner than the 2022 RA year. Likewise, the CAISO should not implement any changes to the RA import rules prior to similar changes being implemented by the CPUC.

The CAISO should not require that imported renewable RA Resources that do not receive awards in the day-ahead market must bid into the real-time market, because it will increase costs for LSEs. LSEs should be permitted to sell imported renewable resources, which do not clear the day-ahead market, outside the CAISO in the hour-ahead time frame during times of very low prices in order to minimize costs. In addition, application of a real-time must offer requirement creates practical difficulties in scheduling solar resources that have variable output and hydro resources that have limitations on available water.
2. **Backstop Capacity Procurement Provisions**

Please provide your organization’s feedback on the Backstop Capacity Procurement Provisions topic as described in section 4.2. Please explain your rationale and include examples if applicable.

   a. Please provide your organization’s feedback on the Capacity Procurement Mechanism Modifications topic as described in section 4.2.1. Please explain your rationale and include examples if applicable.

   b. Please provide your organization’s feedback on the Making UCAP Designations topic as described in section 4.2.2. Please explain your rationale and include examples if applicable.

   c. Please provide your organization’s feedback on the Reliability Must-Run Modifications topic as described in section 4.2.3. Please explain your rationale and include examples if applicable.

   i. Please provide your organization's feedback on an appropriate availability incentive design to apply to RMR resources after the removal of the RAAIM tool.

   d. Please provide your organization’s feedback on the UCAP Deficiency Tool topic as described in section 4.2.4. Please explain your rationale and include examples if applicable.

**VEA takes no position on the Backstop Capacity Procurement Provisions topic.**

3. Please provide your organization’s feedback on the implementation plan, including the proposed phases, the order these policies must roll out, and the feasibility of the proposed implementation schedule, as described in section 5. Please explain your rationale and include examples if applicable.

**As noted above, the CAISO should implement changes to the RA import requirements no sooner than the 2022 RA year. Likewise, the CAISO should not implement any changes to the RA import rules prior to similar changes being**
implemented by the CPUC. The CAISO should give market participants adequate time to negotiate new contractual arrangements for imported RA Resources.

4. Please provide your organization’s feedback on the proposed decisional classification for this initiative as described in section 6. Please explain your rationale and include examples if applicable.

VEA takes no position on the decisional classification.

Additional comments

Please offer any other feedback your organization would like to provide on the Resource Adequacy Enhancements fourth revised straw proposal.