

Western Power Trading Forum on EIM Offer Rules Workshop
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The Western Power Trading Forum

The Western Power Trading Forum (WPTF) is a California nonprofit, public benefit corporation. It is a broad-based membership organization dedicated to enhancing competition in Western electric markets while maintaining the current high level of system reliability. WPTF supports uniform rules and transparency to facilitate transactions among market participants. The membership of WPTF and the WPTF CAISO Committee responsible for providing these comments include CAISO and EIM entities, load serving entities, energy service providers, scheduling coordinators, generators, power marketers, financial institutions, and public utilities that are active participants in the California market, other regions in the West, and across the country.

Summary

WPTF appreciates the CAISO holding such an informative workshop on April 30, 2018 and allowing the EIM entities to directly present on their concerns with the EIM resource sufficiency and Default Energy Bid market design. WPTF believes that the evidence provided by the EIM participants demonstrates the need to prioritize a stakeholder process that investigates each issue more thoroughly. We therefore support the request of the EIM participants to immediately open stakeholder initiatives or internal CAISO process to address Resource Sufficiency evaluations and Default Energy Bids for energy-limited resources.

Detailed Comments

Resource Sufficiency

WPTF sees two general topics related to the Resource Sufficiency tests that should be addressed further in a stakeholder process. The first topic is the accuracy and workability of the tests themselves. There was significant evidence presented by many parties that there is a need to enhance the flexibility sufficiency test requirement, timing, and period of assessment. The second topic is an equity issue related to how the flexible sufficiency test is being applied to the CAISO itself. WPTF found the Powerex slides on ensuring the resource sufficiency tests be applied in an equitable manner both persuasive and concerning. When areas (such as the CAISO) pass or don't pass their flexible sufficiency test it sends a signal to the broader market on the need for flexible resources in an area. It is of utmost import to all parties (internal and external) that the market signals for flexibility are accurate and reflective of actual market conditions. Ultimately within the CAISO it is these signals that will drive forward procurement practices (such as flexible RA) and ensure that the CAISO is sufficiently planning for needed flexibility without leaning on the EIM entities.

Default Energy Bid

WPTF supports a separate initiative that explores topics related to Default Energy Bids (DEBs). It is WPTF's expectation that if the CAISO were to create a 4th DEB or new negotiated cost methodology for energy limited resources, that this option would have to equally be offered to internal energy limited resources. Therefore, WPTF supports exploring new DEB options within a separate process from Resource Sufficiency topics.