

Blue Point Energy Comments on Standard Capacity Products

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Aggregations of Small Resources

There is a need to specify a complete set of capacity resources expected to participate in the 2010 RA year. It is likely that aggregations of small dispatchable resources, both DR and DG, will be available to the CAISO in the 2010 period. If possible these resources should be considered in the current work and in the upcoming LCR study. Although in this Straw Proposal DR considerations have been deferred, that deferral may not be appropriate for dispatchable DR and DG aggregations. These resources share generation performance attributes with use limited resources under 10MW and aggregation attributes with DR. We submit that dispatchable aggregations of all kinds have similar requirements and that they should be included either in this stakeholder process or in the subsequent treatment of other resources. One important question can be considered: Can these resources be included in this proceeding and be made available for the 2010 period?

Testing and Certification

Treatment of these resources will require somewhat different testing and certification.

Outage reporting for aggregations can be based on self reporting similar to that described for units under 10MW. Since aggregations are diversified across many units, individual outages can be appropriately treated as an aggregation capacity derate with little chance of unexpected consequences.

Operational characteristics for aggregations will be much like a single, use limited resource. Because of this, planning and bidding requirements should be similar to those for use limited resources.

NQC for aggregations should include aggregator performance as well as outage rate and peak performance. For new aggregations there can be an evaluation of ability to perform. This would be accomplished through a combination of inspection and test. We expect that each aggregation will be defined within a load pocket and will have a nameplate capacity, a P_{MAX} and a NQC. Since aggregations are a diversified resource the outage rate is probably not as important as the aggregator's ability to respond to dispatch. Based on these factors an appropriate set of NQC criteria might be:

- Average outage rate.
- Dispatch facility inspection.
- Spot inspection and test of resource sites.

- Aggregated test results.
- Actual peak period performance.

These criteria avoid many difficulties in a more detailed approach and yet will allow an estimate of effectiveness for new aggregated resources. It is important to allow aggregators to increase capacity during the RA year and to replace lost units in the aggregation portfolio. The above criteria would allow those changes with a minimum of complication.

Conclusion

A preemptive decision to include aggregations could encourage substantial quantities of existing resources to be made available to the market for 2010. Considering the current condition of financial markets and the volatile climate, additional low cost DR and DG could be an important factor in satisfying energy needs in a recovering economy where large scale generation is difficult to finance and loads are difficult to forecast.

Respectfully submitted by

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