

## CDWR Comments

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Please use this template to provide your comments on the ESDER Phase 2 stakeholder initiative Revised Straw Proposal posted on July 21 and as supplemented by the presentation and discussion during the stakeholder web conference held on July 28.

Submit comments to [InitiativeComments@CAISO.com](mailto:InitiativeComments@CAISO.com)

**Comments are due August 11, 2016 by 5:00pm**

The Revised Straw Proposal posted on July 21 and the presentation discussed during the July 28 stakeholder web conference may be found on the [ESDER Phase 2](#) webpage.

Please provide your comments on the Revised Straw Proposal topics listed below and any additional comments you wish to provide using this template.

### **NGR enhancements**

The CAISO has been focused on two areas of potential NGR enhancement: (1) representing use limitations in the NGR model and (2) representing throughput limitations based on a resource's state of charge (SOC).

The CAISO is requesting stakeholders provide comments in each of these two areas.

### **Comments:**

Could the CAISO represent discrete steps and/or something similar to forbidden regions in this NGR model?

### **Demand response enhancements**

Two stakeholder-led work groups are up and running within ESDER 2 to explore two areas of potential demand response enhancement:

- Baseline Analysis Working Group – Explore additional baselines to assess the performance of PDR when application of the current approved 10-in-10 baseline methodology is sufficiently inaccurate. The Working Group has completed its first phase of analysis on topics including alternative baselines and control groups.
- Load Consumption Working Group – Explore the ability for PDR to consume load based on a CAISO dispatch, including the ability for PDR to provide regulation service. The working group has recommended bi-directional PDR modelling.

The CAISO is requesting stakeholders provide comments in each of these two areas.

#### **Comments:**

#### **Wholesale demand response should have appropriate access to the CAISO markets.**

CDWR supports bi-directional PDR modeling. However, CDWR's participating wholesale loads should also be permitted in the CAISO's markets on equal footing as PDRs. As noted in previous CDWR comments to the CAISO<sup>1</sup> and FERC<sup>2</sup>, CDWR's participating loads are capable of providing increased load consumption and reduction, subject to environmental and water management limitations. CDWR bids in the market when it is confident it can fulfill the obligations bidding entails, and would be able to bid more if it could submit incremental and decremental load bids in the real-time market. There is no reason for the CAISO to limit demand response enhancements to PDRs only.

#### **Demand response enhancements has been a long term goal for CDWR**

Since the CAISO implemented its MRTU fix in April 2009, CDWR lost the ability it had under the prior version of the CAISO Tariff to submit incremental and decremental load bids in the CAISO real-time markets. The participating load agreement currently allows CDWR to bid contingent non-spinning reserve for load drop in real-time. This is different than a decremental load bid.

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<sup>1</sup> <http://www.caiso.com/Documents/CDWRComments-EnergyStorageandDistributedEnergyResourcesPhase2-StrawProposal.pdf>

<sup>2</sup> CDWR comments on Response to Data Request of the CAISO for Electronic Storage Participation in Regions With Organized Wholesale Electric Markets (June 6, 2016), Docket No. AD16-20-000, eLibrary No. [20160606-5279](#)

CDWR still lacks the ability to offer the CAISO all of the demand response it could potentially provide.

CDWR has worked with the CAISO through various stakeholder initiatives to attempt to use the Multi-Stage Generator (MSG) model and Non-Generator Resource (NGR) model enhancements to allow these enhancements for participating loads. None of these attempts have been fruitful and after participating in this ESDER initiative for a year, the CAISO has backed away from enhancements for PLA resources. Instead, the CAISO proposed applying and testing existing participating load models to see if real-time incremental and decremental load bids are easily achievable. CDWR has been working with the CAISO for the last several months to complete these tests, but CAISO's Mapstage simulation environment has been experiencing difficulties making progress slow. As CAISO contemplates enhancements for PDRs, CDWR believes similar consideration should be maintained for PLA resources and looks forward to CAISO's commitment in this endeavor.

### **Multiple-use applications**

The ISO has not yet identified specific MUA issues or topics that require treatment in ESDER 2. The ISO proposes to continue its collaboration with the CPUC in this topic area through Track 2 of the CPUC's energy storage proceeding (CPUC Rulemaking 15-03-011). If an issue is identified that should be addressed within ESDER 2 the ISO can amend the scope and develop a response. The ISO is requesting stakeholders provide comments on this topic area as well as this proposed approach.

#### **Comments:**

At this time CDWR does not have a comment on this subject.

### **Distinction between charging energy and station power**

In this topic area the ISO will continue its collaboration with the CPUC through Track 2 of the CPUC's energy storage proceeding (CPUC Rulemaking 15-03-011) rather than exclusively through ESDER 2. At this time, the ISO proposes the following:

- Revise the ISO tariff definition of station power to exclude explicitly charging energy (and any associated efficiency losses); and

- Revise its tariff later to be consistent with IOU tariffs, as needed, in the event that they revise their station power rates.

The CAISO is requesting stakeholders provide comments on this proposed approach. The CAISO also seeks comments on the following:

- What rules are necessary, if any, to dictate how station power and wholesale charging energy (including efficiency losses) can be separately calculated for settlement purposes? For example, what would be the advantages and disadvantages of using meters compared to predetermined deductions?
- Assuming that station power includes all energy drawn from the grid except to charge the storage device, what specific advantages and disadvantages do storage devices have compared to conventional generators under current netting and self-supply rules?

Detailed examples comparing the generally expected dispatching of storage devices and conventional generators under current netting and self-supply rules are appreciated.

**Comments:**

At this time CDWR does not have a comment on this subject.

**Other comments**

Please provide any additional comments not associated with the topics above.

**Comments:**

At this time CDWR does not have a comment on this subject.