



Stakeholder Comments Template

CAISO Reliability Demand Response Resource Minimum Run Time: Issue Paper/Draft Final Proposal

This template has been created for submission of stakeholder comments on the CAISO Reliability Demand Response Resource Minimum Run Time stakeholder call is scheduled on December 20, 2023. The meeting presentation and meeting recording for this initiative have been posted to the miscellaneous stakeholder meetings [webpage](#).

Upon completion of this template, please submit it to ISOSTakeholdersAffairs@caiso.com. Submissions are requested by close of business on **Dec 18, 2023**.

Submitted by	Organization	Date Submitted
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Please provide your organization’s comments on the following issues and questions.

1. Do you believe the proposed changes will address the three identified issues in the paper?

A: The three reasons cited in the paper are to:

1. Provide operational benefit by more accurately reflecting RDRRs’ minimum on time in the markets during stressed conditions;
2. Maintain the preferred operational dispatch order of RDRRs directed by the CPUC allowing CAISO “...to use RDRR, as an RA resource, for economic or exceptional dispatch upon the declaration of a day-of [Energy Emergency Alert (“EEA”)] Watch (or when a day-ahead EEA Watch persists in the day of)” (reference to CPUC D.23-06-029, at p.96)
3. Mitigate concerns with continued participation in the retail programs integrated as RDRRs and retain demand reduction capacity they provide.

Enel assumes that the proposed changes will accomplish CAISO’s stated objective (1), to provide operational benefit by reflecting RDRR’s minimum on time requirements during stressed conditions and to mitigate concerns about retail program participation as RDRRs, although, there isn’t anything in the

document that really speaks to retail program alignment with this change in the RDRR minimum on time requirements.

Relative to CAISO's second stated objective, to use RDRR in a "preferred" dispatch mode, that references requires clarification of what CAISO means by "preferred" relative to CPUC D.23-06-029. In that Decision, the Commission stated that RA-eligible emergency resources should be dispatched in advance of non-RA eligible emergency resources.

As described by Enel in its Application for Rehearing (AfR) of D.23-06-029, filed with CPower and the California Efficiency and Demand Management Council, upon which the Commission has just issued a decision denying the AfR, Enel and other demand response (DR) providers expressed concern with the increased frequency of dispatch with Base Interruptible Program (BIP), and therefore, RDRR resources, when the dispatch trigger is changed to a EEA Watch versus an EEA 1 notice. Enel has similar concerns with the minimum run time of "less than or equal to 255 minutes.

The concern has to do with the utilization of the resource to prevent emergency conditions, as an EEA Watch would indicate is possible, but, if those conditions abate prior to the day-of dispatch, there should be no reason to dispatch RDRR without an emergency condition being imminent. Therefore, CAISO has a lot of discretion to dispatch RDRR. However, Enel would prefer that the discretion be limited to preventing an imminent emergency event. Otherwise, Enel is concerned that the frequency of dispatch may exceed the willingness of customers to participate.

Secondly, if RDRR is committed in the STUC in the day-of, with an emergency condition imminent, then, Enel would prefer that the RDRR be committed and dispatch for only as long as the imminent emergency conditions are predicted to persist. Otherwise, Enel is concerned that RDRR could not only be dispatched more frequently, but also, for longer periods of time per dispatch (up to 255 minutes.

More frequent and longer dispatches will definitely increase customer dissatisfaction with the program and could have detrimental effects on customer willingness to continue to participate in the program for a couple of reasons.

- a. Aggregators have a strong line of communication with participating customers. Part of that communication is to ensure customer readiness and to give customers some expectation of use of the resource. These resources have been utilized during system emergencies in the past. The change in dispatch designation to an EEA Watch means that customers and aggregators do not have a history of experience in what that means for expectations of dispatch, in terms of frequency and duration. As such, customer communication with

aggregators could suffer if the frequency and duration of RDRR dispatches increases significantly from historical levels.

- b. The proposal tariff language gives a great deal of discretion that CAISO can exercise in whether they call and/or rescind an EEA Watch and for how long CAISO will dispatch the resource, even if the emergency is abated, with the minimum run time is yet to be determined. Will CAISO continue to use RDRR as an emergency resource, that should be used with discrimination so as not to overuse or exhaust the resource, and to maintain it for when it would provide the highest value to the grid?

- 2. Please provide any Tariff amendments comments.

4.13.5.3 Dispatch Parameters for RDRRs Each Reliability Demand Response Resource shall be capable of reaching its maximum Load curtailment within forty (40) minutes after it receives a Dispatch Instruction, and shall be capable of providing Demand Response Services for at least four (4) consecutive hours per Demand Response Event. Each Reliability Demand Response Resource shall have a combined Start-Up Time and minimum on time less than or equal to of no more than one (1) hour 255 minutes

The language in CPUC D.23-06-029 gives the CAISO the discretion to use RDRR, in the declaration of an EEA Watch that is maintained from the Day-Ahead into the Day-Of timeframe. RDRR is a day-of resource. Therefore, only to the extent that the EEA Watch extends into the day-of, should this resource be committed in STUC. And, only to the extent that the EEA Watch persists should the dispatch continue. In other words, if resources are committed at hour ending 08:00, and if the EEA Watch is terminated at hour ending 10:00, resources should not continue to be committed until hour ending 12:00. They should terminate with the termination of the EEA Watch.

Therefore, Enel proposes the following modification to the proposed language:

Each Reliability Demand Response Resource shall have a combined Start-Up Time and minimum on time less than or equal to of no more than one (1) hour 255 minutes; however, resources will be committed and/or dispatched only as long as the EEA Watch is in effect.

- 3. Recognizing this is a very limited scope to meet the accelerated timeline, what additional Reliability Demand Response Resource Minimum Run Time enchantments in the future would you like to see and why?