

Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this template to provide your comments on the Revised Straw Proposal posted on September 17, 2015 and as supplemented by the presentation and discussion during the stakeholder web conference held on September 28, 2015.

Submit comments to InitiativeComments@caiso.com

[Comments are due October 9, 2015 by 5:00pm](#)

All documents for the energy storage and distributed energy resources (ESDER) initiative, including the September 17, 2015 Revised Straw Proposal and the presentation discussed during the September 28, 2015 stakeholder web conference, are available on the webpage for the ESDER initiative at:

http://www.caiso.com/informed/Pages/StakeholderProcesses/EnergyStorage_AggregatedDistributedEnergyResources.aspx

Non-generator resources (NGR) enhancements

Please provide your comments in each of the four areas of proposed NGR enhancement.

1. NGR documentation.
 - a. What specific NGR areas do you think require additional documentation that are not already outlined in the revised straw proposal?

Comments: **No comment.**

2. Clarification about how ISO uses state of charge (SOC) in the market optimization.

- a. What specific NGR SOC areas do you think require additional clarity that are not already outlined in the revised straw proposal?

Comments: [No comment.](#)

3. Allow for an initial SOC value as a daily bid parameter in the day-ahead market.
 - a. Are there any further considerations for allowing for a daily initial SOC bid parameter that are not already outlined in the revised straw proposal?

Comments: [No comment.](#)

4. Allow an option to not provide energy limits or have the ISO co-optimize an NGR based on state of charge. Under this NGR option:
 - NGRs that do not have SOC energy limits or choose to self-manage their SOC within resource energy limits, may choose to not use energy limit constraints and SOC in co-optimization or dispatch.
 - NGRs that have an SOC and choose to self-manage their SOC, must provide telemetry SOC values for ISO resource monitoring.
 - NGRs participating under Regulation Energy Management (REM) will not be eligible for this option.
 - a. Are there any further considerations for allowing NGRs to not use SOC and energy limit constraints that are not already outlined in the straw proposal?

Comments: [NRG supports further exploration of the concept of allowing non-REM NGRs to self-manage their SOC, and requests clarification as to why a non-REM NGR that is self-managing its SOC would have to telemeter that SOC to the CAISO.](#)

Proxy Demand Resource (PDR)/Reliability Demand Response Resource (RDRR) enhancements

Please provide your comments in each of the two areas of proposed enhancement.

1. Consider/develop an alternative ISO Type 1 performance evaluation methodology base on metering generator output (MGO) concepts.
 - a. What is your opinion on the MGO options being considered to represent performance of load offsetting behind the meter generation?
 - b. What specific options do you believe need further evaluation in terms of its appropriate use under PDR/RDRR performance measurement methodology?

- c. Are there additional variants, specific to configuration B, needing further consideration (i.e. baseline of directly meter generator/device). If so please provide examples of what the ISO might need to consider.
- d. Are there concerns on the use of MGO for “frequent” use of load offsetting behind the meter generation?
- e. What is your response to the ISO’s consideration of employing a “reservation of capacity” for load offsetting behind the meter generation to account for potential multi-use of the generator/device?

Comments: The use of behind-the-meter generation to serve multiple purposes – to manage customer demand as well as to participate in the CAISO markets – is a complex issue. The ability to access multiple revenue streams will be a key issue with regards to animating the deployment of DERs. While the “reservation of capacity” issue may facilitate the differentiation of customer-benefitting use of the DER from grid-benefitting use of the DER, parsing out and dedicating the capacity of the resource to separate uses will impinge on DERs’ ability to access multiple revenue streams.

2. Develop additional detail regarding use of statistical sampling and document that in the appropriate BPMs.
 - a. What is your opinion on the statistical sampling methodology being proposed as an approved ISO Type 2?
 - b. Has enough detail been provided? If not, what additional detail is needed?
 - c. What is your opinion on the applicability currently proposed and being considered by for ISO Type 2?
 - d. What additional information can you provide the ISO that will help in understanding the need for use of ISO Type 2 in cases where Hourly Interval Metering is available? (i.e. why is the “interval meter data” unavailable to meet SQMD submission timelines) Should provisions for its use for Hourly Interval Metering cases have limitations? What might those limitations be?

Comments: NRG has no comment on this issue at this time.

Non-resource adequacy multiple use applications

1. Please comment on the ISO’s proposal regarding Type 1 multiple-use scenarios.

Comments:

The CAISO’s most recent ESDER proposal is forward-thinking and has offered several reasonable and attractive accommodations to promote the deployment of distributed energy resources.

However, NRG respectfully urges the CAISO to reconsider its position that DER resources that are not PDR or RDRR resources (e.g, NGR resources) must submit Settlement Quality Meter Data and be settled in the CAISO’s markets in all hours. The requirement to submit SQMD for all hours and be settled in the CAISO’s markets in all hours, regardless of whether a DER wants to participate in the CAISO wholesale markets in all hours, is not a step forward. The ability to access multiple revenue streams, including the wholesale market, is a benefit; the requirement to participate in the wholesale market in all hours is not. It is impossible to reconcile the two multi-use types under consideration – both of which involve resources without Resource Adequacy obligations, and therefore without obligations to offer to the CAISO’s markets – with the proposed requirement that such resources would be settled in the CAISO’s markets in all hours.

2. Please comment on the ISO’s proposal regarding Type 2 multiple-use scenarios.

Comments: No additional comment.

3. Please offer any additional comments on other aspects of the ISO’s proposal.

Comments: NRG supports and appreciates many of the proposals the CAISO has made, including:

- Not implementing provisions to address so-called “double payment” at this time.
- Not imposing any limitations on the provision of distribution reliability services by sub-resources within an aggregation.

However, as noted above, NRG urges the CAISO to reconsider its position that DERs that are not PDR/RDRRs must submit SQMD and be settled in the CAISO markets for all hours.