

Stakeholder Comments Template

Flexible Resource Adequacy Criteria and Must Offer Obligation Phase2

Submitted by	Company	Date Submitted
<i>Ryan Cline 530-863-2772 rcline@pcwa.net</i>	<i>Placer County Water Agency (PCWA)</i>	<i>May 22, 2017</i>

Proposal to modify eligibility criteria

1. Start-up time less than 4.5 hours

Comments: PCWA supports this modification

2. Minimum run-time less than 4.5 hours

Comments: PCWA supports this modification

3. Category 3 flexible capacity resources must be available seven day per week

Comments: PCWA has no comment at this time

Future considerations

The ISO identified the following six objectives for long-term RA enhancements:

- 1) Provide for the efficient retention and retirement of resources needed to maintain reliable grid operations by aligning resource adequacy requirements with operational needs;
- 2) Simplify RA procurement and showing processes through alignment with system and local capacity provisions;
- 3) Enhance requirements to more closely differentiate particular resource attributes of flexible capacity needed to maintain operational reliability and achieve state policies;
- 4) Align long-term planning and annual RA processes to ensure the long-term planning objectives and assumptions are properly reflected through RA procurement and vice versa;

- 5) Provide opportunities for internal and external resources to qualify to supply flexible capacity if they are able meet the specified requirements; and
- 6) Solutions should be scalable regardless of number of LSEs or size of LSEs

Please provide comments, as appropriate, on these objectives.

Comments: PCWA has no specific comment at this time.

Should additional objectives be added?

Comments: PCWA has no specific comment at this time.

Other

Please provide and comments not addressed above, including any comments on process or scope of the FRACMOO2 initiative, here.

Comments: PCWA believes the current Flexible RA requirement will not lead to any changes in the procurement of this product. We also feel the current Flexible RA requirement will not lead to any changes in the overall mix of resource participating in the market.

The short-term proposal has not been well developed nor has it supplied any evidence a problem exists that would be fixed with this proposal. We believe the ISO's short term proposal needs to spend more time and effort explaining the real problem and suggesting real solutions. The current short-term proposal lacks details and only creates more uncertainty for both buyers and sellers of Flexible RA.

If the CAISO believes a problem exists and Flexible RA is the solution, then the ISO should also rapidly move on with a long-term solution. If there is not a long term solution, then the ISO should scrap the flexible RA requirement altogether.