

Stakeholder Comments

Frequency Response Working Group Call

Submitted by	Company	Date Submitted
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The following are Southern California Edison’s (SCE) comments on the California Independent System Operator’s (CAISO) December 14, 2015 Working Group Call¹.

The CAISO should present analysis that its Spinning Reserve (SR) fleet is able to provide expected Frequency Response (FR)

The CAISO proposes to have FR requirements on all synchronous generators, not just SR resources². Since the CAISO tariff requires SR resources to provide FR³, the CAISO proposes to rely primarily on these resources⁴. However, SCE does not believe that the obligation may always be met by SR resources. The CAISO should analyze a sample number of SR units and summarize the observations on the actual vs. expected FR performance of SR resources. The CAISO should pay particular attention to whether Automatic Generation Controls (AGC) do indeed prevent any FR. If existing SR resources are not providing FR as expected by the CAISO, the cause and potential remedies should be explored prior to establishing any new requirements for other resources.

Until the CAISO determines whether the existing equipment in its SR fleet provides adequate FR, any projected studies are based on assumptions that may be inaccurate. For example, assuming that insufficient FR headroom is a primary cause; in fact, additional headroom does not guarantee additional FR. Further, as section 30.5.2.6.2 of the tariff states, headroom is at the discretion of the supplier – the CAISO may not have the ability to affect that even if it were determined to be the cause.

¹ http://www.caiso.com/Documents/Agenda_Presentation_FrequencyResponse_WorkingGroupDec14_2015.pdf

² Page 13. http://www.caiso.com/Documents/StrawProposal_FrequencyResponse.pdf

³ Sections 8.4.4, 8.9.10, 30.5.2.6.2, Appendix K (part B). CAISO tariff.

⁴ Page 14. Straw Proposal.

Finally, the CAISO should be cautious while conducting this analysis. While certain generating facilities may not be on AGC⁵, others may. Thus, any analysis should at least differentiate by technology type.

A cost-benefit analysis is the first step toward any feasibility determination for reserve-sharing

As the CAISO and several stakeholders stressed during the call, a cost-benefit analysis is a prerequisite to any further progress on the reserve-sharing component of the CAISO proposal. SCE believes the procurement and pricing alternatives may result in a few proposed frameworks of the reserve-sharing offering. Each of these proposed frameworks should be independently assessed for costs and benefits. In turn, further details on procurement and pricing will be needed before any framework can be developed. SCE reserves its position until such details as well as cost-benefit analysis are provided.

⁵ Such as BPA representative fleet which may be hydro relative to CAISO representative fleet which may be gas. Page 3. http://www.caiso.com/Documents/BPAPresentation_FrequencyResponse_WorkingGroupDec142015.pdf