

Comments of Southern California Edison Company on Generated Bids and Outage Reporting for Non-Resource Specific Resource Adequacy Resources Draft Final Proposal

Submitted by	Company	Date Submitted
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Southern California Edison (“SCE”) has reviewed the California Independent System Operator’s (“CAISO’s”) Generated Bids and Outage Reporting for Non-Resource Specific Resource Adequacy Resources (“NRS-RA”) Draft Final Proposal dated June 9, 2010 (“Draft Final Proposal”) and appreciates this additional opportunity to file comments on the proposal.

In general, SCE is supportive of the CAISO’s plan, which addresses FERC’s June 26 Order requiring the CAISO to submit generated bids for NRS-RA resources that submit only partial bids or fail to submit bids for their RA capacity. SCE is also very supportive of the CAISO's initiative to accommodate Local Regulatory Authority-approved RA contracts with "subset-of-hours" provisions. SCE believes the anticipated start date of January 2012 is appropriate to provide an implementation schedule sufficient to allow the CAISO to make any modifications necessary and expand the capability of its systems to be able to accommodate these new provisions.

SCE makes the following observations with respect to the implementation of the Draft Final Proposal:

- Modifications must be made to the format of the Supply Plan to accommodate the “subset of hours” provision and ensure a smooth transition with the settlement process.
- The CAISO should clarify the SCP substitution rules with respect to NRS-RA resources, and allow NRS-RA resources to substitute both internal resources and also other NRS resources for NRS-RA resources on forced outage. The CAISO should also provide that NRS resources can substitute for system RA resources on forced outage.

Supply Plan and RDT Modifications

Assuming FERC approves the additional time allotted to implement the provisions of the Draft Final Proposal, SCE believes that the CAISO should garner additional stakeholder input on the modifications needed to the Supply Plans- submitted by generation resources on an annual and monthly basis – to ensure that this information is accessible as well in the Resource Definitions Template (“RDT”).

The current format of the Supply Plan only contains enough fields to list the Resource Identifier (“ID”) and the MW value for the month. At a minimum, the format would have to change to also include contract hours. Further, the Supply Plan should be updated to accommodate contracts that can be delivered at alternate tie-points using alternate scheduling IDs for the same hour. Currently the Supply Plan format allows for only one ID to be specified. However, in the case of a contract such as the Sempra (Department of Water Resources or “DWR”) contract, the contract allows for delivery of capacity/energy at multiple tie-points using multiple IDs. To avoid the possibility that the CAISO will generate bids for each of the possible tie points in the same hour, the Supply Plan format must be updated to sum the schedules for each of the IDs at the tie points and generate a bid only if the total MW for the bid(s) submitted falls short of the total RA MW reported on the Supply Plan for that resource. It will also be necessary to ensure that the RDT, or other method for communicating hourly RA values, links to the Supply Plan and is accessible to the settlement process.

NRS-RA Substitution

With respect to the substitution of resources for NRS-RA resources on forced outage as allowed by the CAISO’s Standard Capacity Product tariff provisions, the CAISO should provide that any non-local resource can substitute for any other non-local RA resource. This would include not only allowing an internal resource to substitute for an NRS-RA resource, but also allowing NRS resources to substitute for both internal resources and also other NRS-RA resources on forced outage. As long as the SC for the resource has secured the proper import rights, the CAISO should allow for NRS substitutions of NRS-RA resources and NRS substitutions of internal RA resources, in the same way the CAISO currently allows internal generation resources to substitute for NRS-RA resources on forced outage.