

Stakeholder Comments Template

Resource Transitions

*Resource Adequacy Deliverability Assessment
for Resources Transitioning
from Outside to Inside the ISO Balancing Authority Area*

Submitted by	Company	Date Submitted
Gina M. Dixon Gina.Dixon@sce.com 626-302-3589	Southern California Edison	March 3, 2011

This template is for submission of stakeholder comments on the topics listed below, covered in the *Resource Transitions: Resource Adequacy Deliverability Assessment for Resources Transitioning from Outside to Inside the ISO Balancing Authority* Issue Paper posted on February 11, 2011, and issues discussed during the stakeholder conference call on February 18, 2011, including the slide presentation.

Please submit your comments below where indicated. Your comments on any aspect of the Resource Transitions initiative are welcome. If you provide a preferred approach for a particular topic, your comments will be most useful if you provide the reasons and business case.

Please submit comments (in MS Word) to ResTrans@caiso.com no later than the close of business on March 2, 2011.

1. **Preferred Option** – Do you have a preference for any one of the three options presented in the issue paper and why?
 - *Out of the three options proposed by the CAISO Option 1 appears to be the most equitable alternative that would also avoid some complex implementation issues. Option 2 and especially Option 3 present various issues, such as implementation complexities, potential need for grandfathering, and an uncertain impact on Resource Adequacy import capability. It is not clear, for example, whether or not a specific resource was tagged as RA during its historical delivery period would impact its deliverability or if the amount of RA import rights would be impacted.*
2. **Objection to Option** – Do you have a strong objection to any of the three options presented in the issue paper and why?

- *SCE questions the need to establish a “one-size-fits-all” solution to pre-determine the outcome of these infrequent scenarios and advocates that the CAISO continue to assess each on a case-by-case basis in order to properly consider the characteristics unique to each situation. Although Option 1 appears to be better than Options 2 & 3, (as assessed from the limited information provided), none of the three Options proposed takes into account whether the change in the CAISO’s Balancing Authority Area boundary was the result of some physical change on the grid, a simple redrawing of the map, or both.*
 - *Neither do any of the three proposed Options take into account the qualifying capacity value of the resource, which can be quite different from its Pmax or historical contribution to import RA. Given that these Options lack this most basic information, Option #1 threatens to strand perfectly good RA generating capacity by becoming a barrier to the development/management of policies around Dynamic Scheduling for pseudo-ties or other virtual mechanisms. Options 2 & 3 threaten to strand perfectly good RA Import capability or grant interim RA capacity value that’s not warranted.*
 - *None of these potential outcomes seem reasonable, especially given that administrative simplicity appears to be the only apparent “benefit” of standardizing this process. SCE recommends that the CAISO continue to pursue its evaluation on a case-by-case basis.*
3. **Providing Deliverability to Resource versus to Load Serving Entity** – What is your view on providing deliverability capability to a transitioning generating unit versus a load serving entity, recognizing that prior to the transition the maximum import capability to which the generating unit’s historical schedules contributed was allocated to load serving entities?
- *This is one of those “difficult issues” under Options 2 and 3 (and is not an issue under Option 1). SCE prefers to maintain the current allocation of RA import capability to LSEs.*
4. **Other Options** – Please describe any other viable options the ISO should consider, in addition to the three options identified in the issue paper. If you prefer one of these other options, please explain why and how any additional options address equity issues such as those described in item 3 above.
- *No other options to suggest at this time.*
5. **Other Comments** – If you have any additional comments, please provide them here.
- *No additional comments.*