

## Stakeholder Comments Template

### Subject: Regional Resource Adequacy Initiative

Submitted by	Company	Date Submitted
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This template has been created for submission of stakeholder comments on the Straw Proposal for the Regional Resource Adequacy initiative that was posted on February 23, 2016. Upon completion of this template please submit it to [initiativecomments@caiso.com](mailto:initiativecomments@caiso.com). Submissions are requested by close of business on **March 16, 2016**.

Please provide feedback on the Regional RA Straw Proposal topics:

#### 1. Load Forecasting

City Light thanks the ISO for providing the flexibility to allow LSEs and LRAs to continue to provide their own load forecasts to a potentially expanded ISO.

City Light requests that CAISO, CEC, CPUC, and other LRAs that presently “work together under unified planning assumptions” allow any new participating LSEs and LRAs an opportunity to participate in that process as equal partners in achieving the best possible load forecasts for their areas of responsibility.

City Light requests that the ISO provide additional information, including both qualitative and quantitative factors, used to determine what constitutes “unreasonable divergences” when making adjustments to an LSE or LRA load forecast. Please include the historic divergences, adjustments, and actual data, including the methodology used to verify after-the-fact that the adjustments were correct.

#### 2. Maximum Import Capability Methodology

City Light encourages CAISO to review its methodology to ensure that it is appropriately extended from CAISO to include PacifiCorp (“Pac”). The four historical hours from the previous two years may be insufficient to properly estimate import capability given the regional

and seasonal diversity. CAISO should work cooperatively with any new PTO to develop the best approach to aggregated planning and forecasting.

### 3. Internal RA Transfer Capability Constraints

Similar to the comment on MIC (above), the CAISO should re-examine the methodology for internal transfer constraints. New PTOs have different seasonal load and generation characteristics, and CAISO should review the new system and determine, in conjunction with the new PTO, the best way to jointly plan and forecast transfer capabilities and constraints.

### 4. Allocation of RA Requirements to LRAs/LSEs

City Light requests that the CAISO provide new PTOs an equitable role in determining capacity requirements. The proposal gives the CAISO the lead role and responsibility presently being served by PTOs.

### 5. Updating ISO Tariff Language to be More Generic

City Light encourages the ISO to take a comprehensive look at the tariff. SB 350's direction to expand the CAISO requires a broader review of the tariff, which was developed solely for the current footprint and membership.

### 6. Reliability Assessment

- a. Planning Reserve Margin for Reliability Assessment
- b. Resource Counting Methodologies for Reliability Assessment
- c. ISO Backstop Procurement Authority for Reliability Assessment

### 7. Other

Seattle City Light understands the timelines in SB 350 require substantial policy development in a relatively short time period, and is sympathetic to the pressure on CAISO staff to move quickly. It will only be possible to be successful if the CAISO provides sufficient documentation of proposals and certainty as to how new PTOs will be treated. The current Resource Adequacy straw proposal is only a "high-level framework for discussion."

The April version of the straw proposal must contain more details about all aspects of the proposal to allow new PTOs, potentially impacted LSEs and LRAs, and all existing CAISO participants, an opportunity to fully understand the nature of the commitments a regional approach to RA will require. The additional information should provide both principles the ISO follows to ensure fair outcomes and the data and methodologies the ISO uses ensure that outcome.

The ISO should strive to avoid different interpretations by stakeholders of the straw proposal. For example, stakeholders at the last workshop held different views about whether the ISO MIC methodology would help or hinder regional resource adequacy. Additionally, the resource counting methodology inside the ISO differs from those currently used outside the CAISO. By providing more information about the goals of the program, whether obtaining possible savings

across an expanded ISO footprint is one of the considerations or not, and how the ISO and potential PTOs retain responsibility for the outcomes will help all parties understand the RA commitment they may be held to in the future. Some questions, such as whether the ISO should standardize a planning reserve margin or allow LSEs to establish their own, may also be resolved by providing sufficient detail about the required approach so that parties can understand the proposed requirements and the impact on their LRA or LSE.

Clarity on the regional governance is also essential to understanding whether CAISO expansion serves interests other than those of California's LRAs and LSEs. For this reason, City Light strongly encourages the CAISO to release for public review, workshop, and comment the regional governance proposal that is currently in draft within the CAISO.

The Resource Adequacy Program in California combines both reliability and cost-effectiveness of supply. The current program dates from a CPUC decision in 2005 based on California-specific and IOU-specific factors. In order to expand into an effective "ISO-West" market and grid operator which will be attractive to new participants, resource adequacy or any program will need to be developed for and serve the best interest of the expanded market and the potentially participating LSEs and LRAs. City Light encourages CAISO and all stakeholders to thoughtfully review and consider all elements of the current market in light of this reality.