

Comments on CAISO's Commitment Cost Enhancements Phase 2 Draft Tariff Language

April 24, 2015

On April 16, 2015, CAISO posted the Commitment Cost Enhancements Phase 2 Draft Tariff Language. California Department of Water Resources State Water Project (SWP) appreciates the opportunity to submit comments.

27.11 Registration of Use-Limited Capacity

A Scheduling Coordinator on behalf of capacity that meets the definition of Use-Limited Capacity must follow the registration and validation processes set forth in the Business Practice Manual. Capacity of Hydroelectric Generating Units, Proxy Demand Resources, Reliability Demand Response Resources and Participating Load, including Pumping Load, must be registered through this process even though such capacity is deemed to be Use-Limited Capacity. Within five (5) business days, the CAISO will provide the Scheduling Coordinator with information concerning the status of the CAISO's validation process.

SWP Comments: CDWR does not disagree with the definition of Use-Limited Capacity in general; however, because of CDWR's water delivery system design, the proposed registration requirements imposed in general on all resources may not exactly fit CDWR's resources. The reason is that SWP's generation resources and pumps are subject to water demand from state water contractors, weather conditions, environmental requirements and restrictions, operational limitations of pumps and the aqueduct, and hydraulic linkage. These factors impose very complex limitations on CDWR's operations and forecasting, and to quantify limitations is highly challenging and can be very uncertain. Therefore, CDWR requests CAISO to recognize the CDWR water delivery system as a whole as use limited and hence simplify the process of registration requirement without having to submit individual data on a per plant basis. Annual affidavits for resources that are defined as Use-limited per the Tariff should be mandatory only if limitations have changed from the last submitted worksheet in prior year(s). Also, historical data should only be required absent other justification with the caveat that the historical data may not accurately show a use limitation.

30.4.1.1.1 Natural Gas-Fired Resources

In the event that the Scheduling Coordinator for a resource other than a Multi-Stage Generating Resource or for a Multi-Stage Generating Resource in its lowest startable configuration **d** does not provide sufficient data for the CAISO to determine the resource's Proxy Costs or one or more of the additional components of the resource's Proxy Costs, the CAISO will assume that the resource's Start-Up Costs and Minimum Load Costs, or the indeterminable additional component(s) of the resource's Start-Up Costs or Minimum Load Costs, are zero.

SWP Comment: Suggest to remove highlighted "d".

39.6.1.7 Maximum Transition Cost Values

Scheduling Coordinators for capacity of Multi-Stage Generating Resources that is eligible and elect to use the Registered Cost methodology in accordance with Section 30.4 must register Transition Costs for each feasible transition between a lower MSG Configuration and a higher MSG Configuration, between zero and a maximum of 150% of the difference between the Projected Proxy Cost for the Start-Up Costs for the higher **MSC** Configuration, minus the Projected Proxy Cost for the Start-Up Costs for the lower MSG Configuration.

SWP Comment: Suggest to change "MSC" to "MSG".

- Transition Cost

For a Multi-Stage Generating Resource, the dollar cost per feasible transition from a given MSG Configuration to a higher MSG Configuration when the resource is already **On**. Transition Cost must be non-negative.

SWP Comment: Suggest to place quotation marks around "On".