

October 18, 2017

**COMMENTS ON THE SLOW RESPONSE  
LOCAL CAPACITY RESOURCE ASSESSMENT  
CAISO-CPUC JOINT WORKSHOP  
ON BEHALF OF THE CITIES OF  
ANAHEIM, AZUSA, BANNING, COLTON,  
PASADENA, AND RIVERSIDE, CALIFORNIA**

In response to the ISO's request, the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California (collectively, the "Six Cities") submit the following comments on the Slow Response Local Capacity Resource Assessment CAISO-CPUC Joint Workshop ("Joint Workshop") held on October 4, 2017.

During the Joint Workshop, the ISO discussed the possibility of using existing import/export bidding options for Proxy Demand Response ("PDR"), providing PDR with a continuum of real-time dispatch options. The ISO described the proposed policy change as follows: "If the minimum online commitment commits a resource regardless of start-up time, the resource has a binding commitment and a real-time must offer obligation. This would apply to all resources, not just PDR. PDR resources can use the intertie scheduling options to meet their must offer obligation."

The Six Cities request clarification with regard to the ISO's statement that its proposed policy change would apply to *all* resources, not just PDR. Currently, non-DR slow response resources are able to qualify as local RA capacity through pre-dispatch. The Six Cities request that the ISO clarify that the pre-dispatch approach for slow-response resources will continue to be available. Additionally, the Six Cities request clarification that the ISO's proposal does not impact slow-response resources' ability to satisfy the must offer obligation for Local RA Capacity with self-scheduling, rather than economic bidding.

The Six Cities are not opposed to providing PDR with the option to use import/export bidding options that would allow it to qualify as Local RA capacity. However, the Six Cities request that the ISO not remove the existing option for non-DR slow response resources to use pre-dispatch to qualify as local RA capacity. If the ISO is to adopt this option, it should ensure that there are no adverse impacts on those resources that already qualify as local RA and the ability of the ISO to pre-dispatch such resources. Likewise, the ISO should not, through its proposed changes, remove a resource's ability to use self-scheduling, rather than economic bidding, to satisfy the must offer obligation for Local RA Capacity.

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