

August 27, 2015

**COMMENTS ON BEHALF OF THE CITIES OF ANAHEIM, AZUSA, BANNING,
COLTON, PASADENA, AND RIVERSIDE, CALIFORNIA ON THE
FREQUENCY RESPONSE ISSUE PAPER**

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 responses to the questions posed by the ISO regarding its August 7, 2015 Frequency Response Issue Paper.

1. How should the ISO ensure there is sufficient frequency response capability on the system in all hours to satisfy the new requirement?

In order to ensure there is sufficient frequency response capability on the system in all hours to satisfy BAL-003-1, the ISO should focus on evaluating whether its current procurement of spinning reserves can satisfy the new frequency response obligation. As noted by the ISO, this option may result in the need to modify spinning reserve procurement to ensure it obtains an adequate quantity of frequency response. The Six Cities believe this option is preferable to developing a new market product for procuring frequency response. However, the Six Cities request that the ISO provide further information as to the level of additional spinning reserves the ISO believes it would need to acquire to satisfy the BAL-003-1 requirement.

2. Should the ISO develop a market product to procure frequency response?

The ISO should only develop a market product to procure frequency response if it is shown that such a product is the only viable option for complying with BAL-003-1. Developing a new product introduces an additional level of complexity that may be unnecessary if sufficient frequency response capability can be achieved through other solutions. In determining whether a new market product is necessary, the ISO should consider the ability of existing products and processes to comply with BAL-003-1.

3. If the ISO cannot develop a product in time for the fall 2016 release, what interim solution would be appropriate? For example, using existing or modifying spinning reserve procurement.

As explained in response to question 2, the Six Cities do not believe that developing a product to procure frequency response is the best path to achieving frequency response levels that comply with BAL-003-1. However, in the event that this stakeholder process results in a decision to develop a frequency response product, and such product cannot be developed in time for the fall 2016 release, the Six Cities believe that the ISO's suggestion to use spinning reserves as an interim solution is appropriate.

4. WECC standards apply only to synchronous generators. Should the ISO explore a requirement that non-synchronous generators have primary frequency response capability?

At a minimum, the Six Cities believe that the ISO should explore a requirement that new non-synchronous generators have primary frequency response capability. The Six Cities do not take a position as to whether existing non-synchronous generators should be required to have primary frequency response capability.

Additionally, the Six Cities request further clarification regarding how compliance with BAL-003-1 will be measured. The Six Cities believe that further examination and analysis of compliance measures, as well as an assessment of historical performance consistent with the understanding of such compliance measures, is necessary to determine how compliance with BAL-003-1 can be best achieved.

Submitted by

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