

Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this template to provide your written comments on the stakeholder initiative “Capacity Procurement Mechanism Risk-of-Retirement (“CPM ROR”) Process Enhancements.”

Submit comments to InitiativeComments@CAISO.com

Comments are due July 12, 2017 by 5:00pm

The Straw Proposal posted on June 20, 2017 and the presentations discussed during the June 27, 2017 stakeholder conference call can be found on the [CPM ROR](#) webpage.

Please use this template to provide your written comments on the straw proposal topics listed below and any additional comments that you wish to provide.

1. Who can apply

Six Cities’ Comments:

The Six Cities support the ISO’s proposal to allow any resource to apply for a Risk of Retirement CPM designation, whether or not the resource is subject to an RA contract at the time of the application, subject to the limitation that a resource cannot receive a Risk of Retirement CPM designation for any period for which the resource is subject to an RA contract, a Reliability Must Run contract, or any other type of CPM designation.

2. Timing

Six Cities' Comments:

The Six Cities generally support the timeline for the application and evaluation process outlined in the Straw Proposal, including the proposal for application windows in April and November.

3. Application Requirements

Six Cities' Comments:

The Six Cities support the application requirements set forth in the Straw Proposal.

4. Selection Criteria when there are Competing Resources

Six Cities' Comments:

The Six Cities support application of the criteria set forth in Tariff Sections 43A.4.2.2 and 43A.4.2.3 for choosing among multiple resources seeking a Risk of Retirement CPM designation for overlapping time periods when the ISO's analysis indicates that not all of the competing resources are needed.

5. Term and Monthly Payment Amount

Six Cities' Comments:

The Six Cities support the "balance of year" concept for payments to resources that receive a Risk of Retirement CPM designation subject to the limitation that a resource cannot receive Risk of Retirement CPM payments for any period for which the resource is subject to an RA contract, a Reliability Must Run contract, or any other type of CPM designation. The Six Cities also support determination of monthly Risk of Retirement CPM payments based on 1/12 of the annual costs approved by the FERC.

6. Cost Justification

Six Cities' Comments:

The Six Cities support the ISO's proposal to require any resource that receives a Risk of Retirement CPM designation to submit a cost justification filing to the FERC for FERC's determination of the appropriate cost-justified payment amount. The Six Cities request confirmation that the annual Risk of Retirement CPM revenue requirement will be based on the methodology for determining the Annual Fixed Revenue Requirement for a Reliability Must Run ("RMR") unit as set forth in Schedule F to the *pro forma* RMR Agreement in Appendix G of the CAISO Tariff.

7. Decision to Accept

Six Cities' Comments:

The Six Cities do not oppose the ISO's proposal to allow a resource to accept or decline a Risk of Retirement CPM designation. However, the Six Cities request that the ISO confirm that a resource that declines a Risk of Retirement CPM designation remains subject to a potential RMR designation. Moreover, if the same methodology applies to the determination of payment amounts under either a Risk of Retirement CPM designation or an RMR designation, it is unclear whether allowing a resource to decline a Risk of Retirement CPM designation has practical significance.

8. Other Comments

Please provide any additional comments not associated with the topics listed above.

Comments:

The Six Cities have no further comments at this time on the Risk of Retirement CPM Straw Proposal.