Stakeholder Comments Template

Subject: Regional Resource Adequacy Initiative

Submitted by	Company	Date Submitted
Tong Wu	Western Area Power Administration Serra Nevada Region	6/15/2016

This template has been created for submission of stakeholder comments to the Second Revised Straw Proposal for the Regional Resource Adequacy initiative that was posted on May 26, 2016. Upon completion of this template, please submit it to <u>initiativecomments@caiso.com</u>. Submissions are requested by close of business on **June 15, 2016**.

Please provide feedback on the Regional RA Straw Proposal topics:

- 1. Resource Adequacy Unit Outage Substitution Rules for Internal and External Resources
- 2. Discussion of Import Resources that Qualify for RA Purposes

Western Area Power Administration (WAPA) as a federal agency is responsible for marketing federal hydropower generated by the Central Valley Project (CVP) to meet its statutory responsibilities to serve project-use energy pumping requirements and market available hydropower generation under its Power Marketing Plan to preference power allottees. In northern California, WAPA serves load in both the Balancing Authority of Northern California and the CAISO. WAPA delivers its generation from many large and small hydro facilities of the CVP to its loads. WAPA owns, operates and maintains an extensive high voltage transmission network extending to the load center of Northern California.

WAPA recently signed Market Efficiency Enhancement Agreement (MEEA) with the CAISO. According to MEEA, certain schedules identified by specific intertie resource IDs and verifiable by associated e-tags are deemed delivered from a basket of CVP hydro generation units in northern California. Since these resource IDs under MEEA represent specific generation units in northern California, they should be allowed to provide system, local and flexible RA following the same rules that are applicable to other hydro generation units in northern California. The resource IDs under MEEA should be eligible for the energy limited hydro system resources status when they are providing system and local RA.

- 3. Load Forecasting
- 4. Maximum Import Capability
- 5. Monitoring Locational Resource Adequacy Needs and Procurement Levels
- 6. Allocation of RA Requirements to LRAs/LSEs

WAPA's Sierra Nevada Region (SNR), is a certified Scheduling Coordinator (SC) and a Load Serving Entity (LSE) for certain loads and resources within the CAISO Balancing Authority Area. Acting as its own Local Regulatory Authority (LRA), SNR establishes its own Resource Adequacy (RA) Plan. This RA Plan applies to the following classes of loads served by SNR in the CAISO Balancing Authority Area: (1) Reclamation's Project Use loads; (2) SNR's First Preference and Full Load Service Customers; and (3) NASA-Ames. SNR has the jurisdictional authority, for the purposes of this RA Plan, to determine the Planning Reserve Margins (PRMs).

WAPA's understanding is that the CAISO proposes to determine the PRMs for LRAs/LSEs and assign the RA requirements to LSEs directly or through LRAs. WAPA reiterates that the CAISO does not have the jurisdictional authority to determine PRMs and the System RA requirements for WAPA SNR. While WAPA SNR submitted its RA plan voluntarily to comply with the spirit of the Federal Energy Regulatory Commission's (FERC) order to assist the CAISO to meet its California Public Utility Commission (CPUC) obligations in the development of its RA requirements, Western does not alter its position nor does it waive any legal rights or defenses it may have regarding the applicability of the CAISO Tariff to WAPA including, but not limited to, any rights and defenses raised by Western in ER06-723-000, et al. and any related dockets.

WAPA prefers the CAISO maintain the current practice of providing the flexibility to assign the Local RA and Flexible RA to either LRAs or LSEs according to the LRAs' instruction.

- 7. Reliability Assessment
 - a. Planning Reserve Margin for Reliability Assessment
 - b. Resource Counting Methodologies for Reliability Assessment
- 8. Other