

Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this template to provide your written comments on the ESDER Phase 3 stakeholder initiative workshop held on January 16, 2018.

Submit comments to InitiativeComments@CAISO.com

Comments are due January 26, 2018 by 5:00pm

The CAISO held a stakeholder workshop to find consensus on the issues and identify additional topics for ESDER 3. The presentation and all supporting documents can be found on the [ESDER 3](#) webpage.

Important: The CAISO requests stakeholders comment on the current list of priorities presented at the January 16, 2018 workshop. Based on the list below, high priority items (green) are considered in scope, low priority items (yellow) will be evaluated based on stakeholder comments and CAISO resource sufficiency, and no consideration items (red) will not be included in the ESDER 3 scope. Note that some items have been rewritten for clarification.

List of potential scope (DR, MUA, and NGR combined)



Demand response modeling limitations – Resolving the issue of RUC that leads to infeasible 5-minute dispatches and minimum/maximum run time constraint recognition.

- ◆ **Variable demand response (weather sensitive)** – Exploring bidding options that reflect the variability of DR.
- ◆ **Removing the single LSE requirement/ DLA discussion** – Remove the requirement of a single LSE for DR with a subsequent discussion on if the DLA will need to be modified.
- ◆ **Load shift product** - Development of load shift capability with a consideration of additional technologies than just behind the meter storage.
- ◆ **Comprehensive review of MUA impacts** – Review of potential tariff changes in accordance with CPUC’s ruling/ working groups (including 24x7 participation requirement impact analysis).
- ◆ **Recognition of a behind the meter resource in load curtailment** – Extending the meter generator output (MGO) model to EVSEs.
- ◆ **Use-limitation status for NGRs** – Exploring the option to allow NGRs to qualify as a use-limited resource.
 -) What constitutes use-limited status for NGR resources (i.e. batteries)?
- ◆ **Bidding Costs** – What bidding costs need to be captured for NGRs? (i.e. cost based offers)
- ◆ **Establishing throughput limitations** – Creating bidding options to manage excessive cycling of NGRs.
- ◆ **Management of State of Charge (SOC)** – Considering options for the management of SOC such as a multi-stacked ancillary service bid.
- ◆ **Recognition of a behind the meter resource in load curtailment** – Extending the meter generator output (MGO) model to sub-meter and develop individual baselines to all other individual load types.
- ◆ **PDR/RDRR hybrid resource** – Exploring how a DR resource that can be economic (PDR) for a limited amount and can transfer to become an RDRR.
- ◆ **Continued discussion on use-cases for MUA** – Determining participation models for new technologies such as micro-grids through use-case scenarios.

Comments:

The Joint DR Parties (JDRP) find this list of priority items for ESDER 3 to be appropriate and necessary to continue the work of allowing Demand Response resources to effectively participate as fully integrated resource in CAISOs market as sought by both CAISO and the CPUC. As shared in previous comments on the scope of ESDER 3, addressing modeling limitations, removing the single LSE requirement and addressing issues supporting weather sensitive DR are critical to expanding the effectiveness and participation of this resource. We appreciate that the CAISO has listened to comments of the JDRP and other likeminded

stakeholders and are encouraged to see these key items as priorities for this phase of the initiative.

The JDRP support the development of a load shift capability and encourage its inclusion in ESDER 3. However, JDRP wants to be upfront that, as certain other stakeholders expressed at the workshop, it does NOT support the overly narrow proposal for a Load Shift resource put forward at the January 16 workshop by Stem. This proposal sought to set the definition of load shift as “An increase in demand on the grid that can be shown will definitely decrease a comparable amount of demand from that customer at a later time” There are many ways to shift load that support the goal of useful consumption of plentiful renewable energy to avoid curtailment of renewables and to help flatten the net load curve, some will reduce comparable amounts, such as charging a battery. Others may not be considered “comparable” such as using buildings as thermal storage by preheating or precooling – or even beneficial consumption – such as finding it cost effective for a manufacturer to run production on a certain day vs another day to support grid needs. This construct puts CAISO in an inappropriate role as an energy waste monitor. As laid out this proposal essentially prevented load from providing shift services and narrowed eligibility to battery storage. The JDRP look forward to exploring technology neutral ways of providing this service to CAISO in ESSR 3.

Other comments

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

Comments:

While not directly related to the delineated scope of ESDER 3 as being sought here, the JDRP remain confused about which elements associated with CCE3/CCEW will be addressed in ESDER 3 vs those initiatives directly. Recently released CCE3 tariff language does not seem to require time for additional review, but based on the significant confusion experienced by many stakeholders about how all elements of the CCE3/CCEW will impact modeling and bidding for at least DR/PDR resources, we hope additional time can be spent either at stakeholder events or in a more intimate setting to allow us to delve deeper into the Masterfile and bidding implications – particularly to support common understanding as we address modeling limitations and weather sensitive load impacts. The discussion in ESDER 3 may be beneficial to both NGR and PDR resources and benefit the CCE3 process. This type of bifurcation of issues is confusing and requires stakeholders to participate in multiple stakeholder process for the same concerns. In fact, the scope indicates that ESDER 3 will address DR, MUA and NGR, so it wasn't until the stakeholder call where the distinction was made that Master File issues in ESDER 3 will be limited to NGR resources.