

Natural Resources Defense Council (NRDC) appreciates the opportunity to comment on the California Independent System Operator's (CAISO) Reliability Coordinator (RC) services proposal.

NRDC is a nonprofit organization of scientists, lawyers, and environmental specialists dedicated to protecting public health and the environment. Founded in 1970, NRDC has more than 3 million members and online activists nationwide, served from our offices in New York, Washington, Los Angeles, San Francisco, Chicago, and Beijing.

NRDC has participated in various forums to create and promote one RC for the western interconnect. After the September 8, 2011 outage, NRDC along with a diverse group of stakeholders worked to ensure that the RC is the entity that constitutes the highest level of authority responsible for the reliable operation of the bulk electric system (BES). A Reliability Coordinator maintains a wide area view of the BES, and has the operating tools, processes and procedures necessary to do so. As noted in the CAISO proposal, a RC has the authority to prevent or mitigate emergency operating situations in both next-day analysis and real-time operations through instructions issued to participating BAs and TOPs.

To protect grid reliability, this system topology requires robust real-time interconnection-wide situational awareness and the capability to take effective action across the interconnection. An uncoordinated, fragmented RC function will directly threaten grid reliability. The western interconnection is changing, and there could be several RC providers, so it is imperative for the west to maintain open and transparent communications to ensure a reliable grid.

The CAISO structure should allow for substantial opportunity to directly advise the CAISO RC. There must be transparency in the decision-making process and an interest to protect the public good, since the CAISO is a nonprofit public benefit corporation. As noted "the CAISO recognizes the importance of transparency. To that end, the oversight committee will hold at least one public meeting per year that will focus on any matters regarding the CAISO's performance of the RC function." Since the RC function is so critical, it would be beneficial to hold quarterly meetings and provide communications throughout the year on membership changes, new reliability tools, system operating limit metrics, standard and tariff updates to all stakeholders.

The Reliability Coordinator Project Steering Committee (RPSC) oversight committee charter should allow for liaisons from different industry sectors such as public interest organizations and state advisors to provide beneficial input.

An RC must have a wide area view of the BES, the best operating tools (including the Western Interchange Tool and the Enhanced Curtailment Calculator), processes and procedures necessary to do so. And RC operating procedures and practices need to be transparent and available to receive stakeholder feedback. Communication is an essential tool to ensure grid reliability.

Thank you for the opportunity to comment.

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