## 40.6 Requirements for SCs and Resources for LSEs *(Currently effective, last modified in RSI Phase 1 Amendment)*

This Section 40.6 does not apply to Resource Adequacy Resources of Load-following MSSs. Scheduling Coordinators supplying Resource Adequacy Capacity shall make the Resource Adequacy Capacity listed in the Scheduling Coordinator’s monthly Supply Plans under Section 40.4.7 available to the CAISO each hour of each day of the reporting month in accordance with this Section 40.6 and Section 9.3.1.3.

### 40.6.1 Day-Ahead Availability *(Currently effective, last modified in RSI Phase 1 Amendment)*

Except as otherwise provided in Section 40.6.1.1 and Section 40.6.4, Scheduling Coordinators supplying Resource Adequacy Capacity shall make such Resource Adequacy Capacity available Day-Ahead to the CAISO as follows:

(1) Resource Adequacy Resources not on Outage must submit: (a) Economic Bids for Energy and/or Self-Schedules for all their Resource Adequacy Capacity and (b) Economic Bids for Ancillary Services and/or a Submission to Self-Provide Ancillary Services in the IFM for all of their Resource Adequacy Capacity that is certified to provide Ancillary Services. For Resource Adequacy Capacity that is certified to provide Ancillary Services and is not covered by a Submission to Self-Provide Ancillary Services, the resource must submit Economic Bids for each Ancillary Service for which the resource is certified. For Resource Adequacy Capacity subject to this requirement for which no Economic Energy Bid or Self-Schedule has been submitted, the CAISO shall insert a Generated Bid in accordance with Section 40.6.8. For Resource Adequacy Capacity subject to this requirement for which no Economic Bids for Ancillary Services or Submissions to Self-Provide Ancillary Services have been submitted, the CAISO shall insert a Generated Bid in accordance with Section 40.6.8 for each Ancillary Service the resource is certified to provide.

(2) Resource Adequacy Resources must be available except for limitations specified in the Master File, as otherwise required by this CAISO Tariff, or by Good Utility Practice.

(3) Through the IFM co-optimization process, the CAISO will utilize available Resource Adequacy Capacity to provide Energy or Ancillary Services in the most efficient manner to clear the Energy market, manage congestion and procure required Ancillary Services. In so doing, the IFM will honor submitted Energy Self-Schedules of Resource Adequacy Capacity unless the CAISO is unable to satisfy one hundred percent (100%) of the Ancillary Services requirements. In such cases, the CAISO may curtail all or a portion of a submitted Energy Self-Schedule to allow Ancillary Service-certified Resource Adequacy Capacity to be used to meet the Ancillary Service requirements. The CAISO will not curtail for the purpose of meeting Ancillary Service requirements a Self-Schedule of a resource internal to a Metered Subsystem that was submitted by the Scheduling Coordinator for that Metered Subsystem. If the IFM reduces the Energy Self-Schedule of Resource Adequacy Capacity to provide an Ancillary Service, the Ancillary Service Marginal Price for that Ancillary Service will be calculated in accordance with Section 27.1.2 using the Ancillary Service Bids submitted by the Scheduling Coordinator for the Resource Adequacy Resource or inserted by the CAISO pursuant to this Section 40.6.1, and using the resource’s Generated Energy Bid to determine the Resource Adequacy Resource’s opportunity cost of Energy. If the Scheduling Coordinator for the Resource Adequacy Resource believes that the opportunity cost of Energy based on the Resource Adequacy Resource’s Generated Energy Bid is insufficient to compensate for the resource’s actual opportunity cost, the Scheduling Coordinator may submit evidence justifying the increased amount to the CAISO and to the FERC no later than seven (7) days after the end of the month in which the submitted Energy Self-Schedule was reduced by the CAISO to provide an Ancillary Service.

The CAISO will treat such information as confidential and will apply the procedures in Section 20.4 of this CAISO Tariff with regard to requests for disclosure of such information. The CAISO shall pay any higher opportunity costs approved by FERC.

(4) A Resource Adequacy Resources must participate in the RUC to the extent that the resource has available Resource Adequacy Capacity that is not reflected in an IFM Schedule. Resource Adequacy Capacity participating in RUC will be optimized using a zero dollar ($0/MW-hour) RUC Availability Bid.

(5) Capacity from Resource Adequacy Resources selected in RUC will not be eligible to receive a RUC Availability Payment.

**40.6.1.1 Day-Ahead Availability – Specific RA Resource Types**

(a) **Distributed Generation Facilities** – Distributed Generation Facilities shall comply with the IFM and RUC bidding requirements that apply to the same technology type of a resource connected to the CAISO Controlled Grid.

(b) **Non-Generator Resources**

(1) Non-Generator Resources that do not use Regulation Energy Management shall submit –

(A) Economic Bids or Self-Schedules into the IFM for all RA Capacity for all hours of the month the resource is not on Outage; and

(B) $0/MW RUC Availability Bids for all RA Capacity for all hours of the month the resource is physically capable of operating,

(2) Non-Generator Resources using Regulation Energy Management shall submit

Economic Bids or Self-Schedules into the IFM for all RA Capacity for Regulation for all hours of the month the resource is not on Outage.

(c) **Extremely Long-Start Resources.**  Extremely Long-Start Resources that are Resource Adequacy Resources must make themselves available to the CAISO by complying with –

(1) the Extremely Long-Start Commitment Process under Section 31.7 or otherwise committing the ELS Resource upon instruction from the CAISO, if not on Outage; and

(2) the applicable provisions of Section 40.6.1 regarding Day-Ahead availability for the Trading Days for which it was committed.

(d) **Use-Limited Resources.** A Use-Limited Resource providing RA Capacity must make such Resource Adequacy Capacity available Day-Ahead to the CAISO as specified in Section 40.6.1 without regard to any exceptions specified in Section 40.6.4 or any exceptions specific to a resource type specified in this Section 40.6.1.1.

### 40.6.2 Real-Time Availability *(Currently effective, last modified in RSI Phase 1 Amendment)*

(a) **General Requirement.** Resource Adequacy Resources that have received an IFM Schedule for Energy or Ancillary Services or a RUC Schedule for all or part of their Resource Adequacy Capacity must remain available to the CAISO through Real-Time for Trading Hours for which they receive an IFM or RUC Schedule, including any Resource Adequacy Capacity of such resources that is not included in an IFM Schedule or RUC Schedule, except for Resource Adequacy Capacity that is subject to Section 40.6.4.

(b) **Short Start Units or Medium Start Units.** Short Start Units or Medium Start Units that are Resource Adequacy Resources that do not have an IFM Schedule or a RUC Schedule for any of their Resource Adequacy Capacity for a given Trading Hour must be available to the CAISO through Real-Time as specified in Sections 40.6.3 and 40.6.7. Resource Adequacy Resources with Resource Adequacy Capacity that is required to be available to the CAISO through Real-Time and does not have an IFM Schedule or a RUC Schedule for a given Trading Hour must submit to the RTM for that Trading hour: (a) Energy Bids and Self-Schedules for the full amount of the available Resource Adequacy Capacity, including capacity for which it has submitted Ancillary Services Bids or Submissions to Self-Provide Ancillary Services; and (b) Ancillary Services Bids and Submissions to Self-Provide Ancillary Services for the full amount of the available Ancillary Service-certified Resource Adequacy Capacity and for each Ancillary Service for which the resource is certified, including capacity for which it has submitted Energy Bids and Self-Schedules. The CAISO may waive these availability obligations for a resource that is not a Long Start Unit or an Extremely Long-Start Resource that does not have an IFM Schedule or a RUC Schedule based on a procedure to be published on the CAISO Website. The CAISO will insert Generated Bids in accordance with Section 40.6.8 for any Resource Adequacy Capacity subject to the above requirements for which the resource has failed to submit the appropriate bids to the RTM.

(c) **Long Start Units.** Long Start Units not committed in the Day-Ahead Market will be released from any further obligation to submit Self-Schedules or Bids for the relevant Operating Day. Scheduling Coordinators for Long Start Units are not precluded from self-committing the unit after the Day-Ahead Market and submitting a Self-Schedule for Wheeling-Out in the RTM, unless precluded by terms of their contracts.

(d) **Extremely Long-Start Resources.** Once an Extremely Long Start Resource providing Resource Adequacy Capacity is committed by the CAISO, it shall comply, for the Trading Days for which it was committed, with the Real-Time availability provisions in sub-sections (a) and (b) of this Section 40.6.2, including those provisions that otherwise apply only to Short Start Units or Medium Start Units.

(e) **Self-Schedules.** The CAISO will honor submitted Energy Self-Schedules of Resource Adequacy Capacity unless the CAISO is unable to satisfy one hundred (100) percent of its Ancillary Services requirements. In such cases, the CAISO may curtail all or a portion of a submitted Energy Self-Schedule to allow Ancillary Service-certified Resource Adequacy Capacity to be used to meet the Ancillary Service requirements, as long as such curtailment does not lead to a real-time shortfall in energy supply. If the CAISO reduces a submitted Real-Time Energy Self-Schedule for Resource Adequacy Capacity when that capacity is needed to meet an Ancillary Services requirement, the Ancillary Service Marginal Price for that capacity will be calculated in accordance with Sections 27.1.2 and 40.6.1.

(f) **Distributed Generation Facilities** – Distributed Generation Facilities that are not Use-Limited Resources shall comply with the RTM bidding requirements that apply to the same technology type of resource connected to the CAISO Controlled Grid.

(g) **Non-Generator Resources**

(1) Non-Generator Resources that do not use Regulation Energy Management and are not Use-Limited Resources shall submit –

(A) Economic Bids or Self-Schedules into the RTM for any remaining RA Capacity scheduled in the IFM or RUC; and

(B) Economic Bids or Self-Schedules into the RTM for all RA Capacity not scheduled in the IFM,

(2) Non-Generator Resources using Regulation Energy Management shall submit Economic Bids or Self-Schedules into the RTM for any remaining RA Capacity from resource scheduled in IFM or RUC.

(h) **Use-Limited Resources.** A Use-Limited Resource providing RA Capacity must make such Resource Adequacy Capacity available to the CAISO for the RTM as specified in this Section 40.6.2 without regard to any exceptions specified in Section 40.6.4

40.6.3 [NOT USED]

**40.6.4 Availability Requirements for Resources with Operational Limitations that are not Registered as Use-Limited Resources**

**40.6.4.1 Must-Offer Obligation in DAM and RTM**

Any Hydroelectric Generating Unit, Pumping Load, Non-Dispatchable Resource, or Conditionally-Available Resource that provides RA Capacity must submit Self-Schedules or Bids in the Day-Ahead Market for their expected available Energy or their expected as-available Energy, as applicable, in the Day-Ahead Market and RTM up to the quantity of Resource Adequacy Capacity the resource is providing. Such resources shall also revise their Self-Schedules or submit additional Bids in RTM based on the most current information available regarding Expected Energy deliveries.

A VER providing Resource Adequacy Capacity may, but is not required to, submit Bids in the Day-Ahead Market. For the purpose of this Section 40.6.4.1, as well as Sections 40.6.8(e) and 40.9.2(b), the CAISO determines whether a Generating Unit has a fuel source or source of energy that cannot be stored, and thus meets the second requirement of the Appendix A definition of Variable Energy Resource, based on the inherent properties of that source and not by whether the individual Generating Unit is capable of storing the fuel source or source of energy. Additionally, for the purpose of this Section 40.6.4.1, as well as Sections 40.6.8(e) and 40.9.2(b), where a Generating Unit has multiple fuel sources or sources of energy, each of those multiple sources separately must meet the three elements of the Appendix A definition of Variable Energy Resource for the Generating Unit to be considered a Variable Energy Resource.

If the only reason a given RA Resource is not required by this Tariff to submit a Bid to either the DAM or RTM is this Section 40.6.4.1, then, notwithstanding any RAAIM exemptions provided in Section 40.9.2, the RA Resource has not met the requirements of Section 40.6 for the purposes of the RAAIM calculations in Section 40.9.

**40.6.4.2 RUC Availability Bids**

The following resource types providing RA Capacity are not required to submit RUC Availability Bids for that capacity, but any such bids they do submit must be $0/MW RUC Availability Bids: Hydroelectric Generating Units, Pumping Load, Reliability Demand Response Resources, Combined Heat and Power, Regulatory Must-Take Generation, Non-Dispatchable Resources, Non-Generator Resources using Regulation Energy Management, Conditionally-Available Resources, and VERs.

**40.6.4.3 Ancillary Services Bids from Participating Load that is Pumping Load**

Participating Load that is Pumping Load shall submit Non-Spin Ancillary Services Bids and/or a Submission to Self-Provide Non-Spin Ancillary Services in the Day-Ahead Market for its Resource Adequacy Capacity that is certified to provide Non-Spinning Reserve Ancillary Service, and Economic Bids for Energy in the Real-Time Market for its Non-Spinning Reserve Capacity that receives an Ancillary Service Award in the Day-Ahead Market.

### 40.6.5 Additional Availability Requirements for System Resources *(Currently effective, last modified in Order 764 Amendment)*

In the IFM, the multi-hour block constraints of a System Resource, other than a System Resource capable of submitting a Dynamic Schedule or a Resource-Specific System Resource, are honored in the optimization. Such a resource that is also a Resource Adequacy Resource must be capable of hourly scheduling by the CAISO in RUC if it is not fully scheduled in the IFM. If such a Resource Adequacy Resource is scheduled in the RUC, the CAISO will schedule the resource in the RTM for each hour of the resource’s RUC schedule without regard to the multi-hour block constraint that was submitted to the IFM. For an existing System Resource that provides Resource Adequacy Capacity through a call-option that expires prior to the close of the IFM, such a System Resource listed on a Resource Adequacy Plan must be reported to the CAISO for consideration in the Extremely Long-Start Commitment Process.

**40.6.5.1 Additional Availability Requirements for Dynamic and Non-Dynamic Resource-Specific System Resources**

A Dynamic or Non-Dynamic Resource-Specific System Resource that supplies Resource Adequacy Capacity, and is not otherwise a Use-Limited Resource, will be subject to the requirements of Sections 40.6.1, 40.6.2 and either Section 40.6.3 as a Short Start Unit or Section 40.6.7 as a Long Start Unit based upon the Dynamic Resource-Specific System Resource’s registered physical operating characteristics.

**40.6.5.2 Dynamic Non-Resource Specific System Resources**

A Dynamic non-Resource-Specific System Resource that provides Resource Adequacy Capacity will be subject to the provisions of 40.6.1 and 40.6.2.

### 40.6.6 Requirement for Partial Resource Adequacy Resources *(Currently effective, no changes since Baseline filing in 2010)*

Only that output of a Partial Resource Adequacy Resource that is designated by a Scheduling Coordinator as Resource Adequacy Capacity in its monthly or annual Supply Plan shall have an availability obligation to the CAISO. Exports being supported by non-Resource Adequacy Capacity from a Partial Resource Adequacy Resource that becomes unavailable or unusable shall be considered as an export of non-Resource Adequacy Capacity based on the pro-rata allocation of derated capacity of the Partial Resource Adequacy Resource as follows:

(a) Resource Adequacy Capacity – [(Resource Adequacy Capacity/PMax Capacity of Resource Adequacy Resource) x MW Derate or Outage]; or

(b) [1- (Resource Adequacy Capacity/PMax Capacity of Resource Adequacy Resource)] x De-rated PMax].

### 40.6.7 [Not Used]

**40.6.8 Use of Generated Bids *(To be effective April 2019 pending Tariff Waiver)***

(a) **Day-Ahead Market.** Prior to completion of the Day-Ahead Market, the CAISO will determine if Resource Adequacy Capacity subject to the requirements of Section 40.6.1 and for which the CAISO has not received notification of an Outage has not been reflected in a Bid and will insert a Generated Bid for such capacity into the CAISO Day-Ahead Market.

(b) **Real-Time Market.** Prior to running the Real-Time Market, the CAISO will determine if Resource Adequacy Capacity subject to the requirements of Section 40.6.2 and for which the CAISO has not received notification of an Outage has not been reflected in a Bid and will insert a Generated Bid for such capacity into the Real-Time Market.

(c) **Partial Bids for RA Capacit**y. If a Scheduling Coordinator for an RA Resource submits a partial bid for the resource’s RA Capacity, the CAISO will insert a Generated Bid only for the remaining RA Capacity. In addition, the CAISO will determine if all dispatchable Resource Adequacy Capacity from Short Start Units, not otherwise selected in the IFM or RUC, is reflected in a Bid into the Real-Time Market and will insert a Generated Bid for any remaining dispatchable Resource Adequacy Capacity for which the CAISO has not received notification of an Outage.

(d) **Calculation of Generated Bids.** A Generated Bid for Energy will be calculated pursuant to Sections 30.7.3.4 and 30.7.3.5. A Generated Bid for Ancillary Services will equal zero dollars ($0/MW-hour).

(e) **Exemptions.** Notwithstanding any of the provisions of Section 40.6.8, for the following resource types providing Resource Adequacy Capacity, the only instances in which the CAISO inserts a Bid in the Day-Ahead Market or Real-Time Market is where the resource submits an Energy Bid and fails to submit an Ancillary Service Bid or where the generally applicable bidding rules in Section 30 call for bid insertion: Use-Limited Resource, Non-Generator Resource, Variable Energy Resource, Hydroelectric Generating Unit, Proxy Demand Resource, Reliability Demand Response Resource, Participating Load, including Pumping Load, Combined Heat and Power Resource, Conditionally-Available Resource, Non-Dispatchable Resource,and resource providing Regulatory Must-Take Generation.

(f) **NRS-RA Resources.** The CAISO will submit a Generated Bid in the Day-Ahead Market or Real-Time Market for a non-Resource Specific System Resource in each RAAIM assessment hour, to the extent that the resource provides Resource Adequacy Capacity subject to the requirements of Sections 40.6.1 or 40.6.2 and does not submit an outage request or Bid for the entire amount of that Resource Adequacy Capacity.

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**40.8.1.6 Wind and Solar**

As used in this Section, wind units are those wind Generating Units without backup sources of Generation and solar units are those solar Generating Units without backup sources of Generation. Wind and solar units, other than Qualifying Facilities with Existing QF Contracts, must be Participating Intermittent Resources or subject to availability provisions of Section 40.6.4.

The Qualifying Capacity of all wind or solar units, including Qualifying Facilities, for each month will be based on their monthly historic performance during that same month during the hours of noon to 6:00 p.m., using a three-year rolling average. For wind or solar units with less than three years operating history, all months for which there is no historic performance data will utilize the monthly average production factor of all units (wind or solar, as applicable) within the TAC Area, or other production data from another area determined by the CAISO to be appropriate if the unit is not within a TAC Area, in which the Generating Unit is located.

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## 40.9 Resource Adequacy Availability Incentive Mechanism *(Currently effective – from RSI Phase 1)*

### 40.9.1 Introduction to RAAIM *(Currently effective RSI Modification amendment)*

The CAISO shall use RAAIM to determine the availability of resources providing local and/or system Resource Adequacy Capacity and Flexible RA Capacity during the Availability Assessment Hours each month and then assess the resultant Availability Incentive Payments and Non-Availability Charges through the CAISO’s settlements process.

### 40.9.2 Exemptions *(Currently effective – RSI Phase 1 amendment)*

(a) **Capacity Exempt from RAAIM – All Provisions.** The entire capacity of a resource in any of the following categories is exempt from the RAAIM provisions in Section 40.9 –

(1) Resources with a PMax less than 1.0 MW;

(2) Non-specified resources that provide Resource Adequacy Capacity under contracts for Energy delivered within the CAISO Balancing Authority Area;

(3) Participating Load including Pumping Load; and

(4) RMR Units.

(b) **Capacity Exempt from RAAIM – Local/System**

(1) The entire capacity of a resource in any of the following categories is exempt from the RAAIM provisions in Section 40.9 applicable to local and system Resource Adequacy Capacity –

(A) Variable Energy Resources; and

(B) Combined Heat and Power Resources.

(2) The capacity of a resource with a Load-following MSS as its Scheduling Coordinator that is designated on a Load-following MSS’s monthly Resource Adequacy Plan is exempt from the RAAIM provisions in Section 40.9 applicable to local and system Resource Adequacy Capacity, to the extent that the resource’s capacity is also designated as Resource Adequacy Capacity on the monthly Supply Plan of that Load-following MSS or another Load-following MSS.

(3) Regulatory Must-Take Resources with Existing QF Contracts or Amended QF Contracts that are Resource Adequacy Resources are exempt from the RAAIM provisions in Section 40.9 applicable to local and system capacity --

(A) if the QF resource previously provided Resource Adequacy Capacity pursuant to an Existing QF Contract that was executed prior to August 22, 2010 and remained in effect pursuant to California Public Utilities Commission Decision 07-09-040 that extended the term of expiring contracts until such time as the new contracts resulting from that decision are available; or

(B) until the QF Resource’s Existing QF Contract or Amended QF Contract terminates or if requested by the Scheduling Coordinator for the resource, whichever is earlier.

(c) **Capacity Exempt from RAAIM – Flexible Capacity.**

(1) The capacity of Use-Limited Resources in a combination under Section 40.10.3.2(b), 40.10.3.3(b) or 40.10.3.4(b) is exempt from the RAAIM provisions in Section 40.9 applicable to Flexible RA Capacity to the extent that the resources are committed to provide Flexible RA Capacity as a combination on their respective monthly Supply Plans.

(2) The Capacity of a resource with a Load-following MSS as its Scheduling Coordinator that is designated on a Load-following MSS’s monthly Flexible RA Plan is exempt from the RAAIM provisions in Section 40.10 applicable to Flexible RA Capacity, to the extent that the resource’s capacity is also designated as Flexible RA Capacity on the monthly Supply Plan of that Load-following MSS or another Load-following MSS.

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**40.9.3.3 Availability for Overlapping Local/System and Flexible RA Capacity**

(a) **Overlap Determination.** The availability assessment for overlapping Resource Adequacy commitments shall apply to those MWs subject to the must-offer obligations for local and/or system Resource Adequacy Capacity and Flexible RA Capacity in any Availability Assessment Hour. For the purpose of this Section 40.9, capacity is deemed to have an overlapping Resource Adequacy commitment if it has a must-offer obligation based on its status as local and/or system Resource Adequacy Capacity and a must-offer obligation based on its status as Flexible RA Capacity during the same Availability Assessment Hour of a day.

(b) **Must-Offer Availability Assessment.** The CAISO shall determine the extent to which each resource with overlapping Resource Adequacy commitments made that capacity available to the CAISO in each overlapping Availability Assessment Hour of the day by comparing –

(1) the MWs of local and/or system Resource Adequacy Capacity and Flexible RA Capacity for which the Scheduling Coordinator for the resource submitted Economic Bids in the Day-Ahead Market and the Real-Time Market; and

(2) the MWs of local and/or system Resource Adequacy Capacity and Flexible RA Capacity for which the Scheduling Coordinator for the resource had a performance obligation to submit Economic Bids in the CAISO Markets, in accordance with the applicable must-offer requirements in Sections 40.6 and 40.10.6.

(c) **Calculation.** The CAISO’s calculation of the Availability Assessment for overlapping RA commitments shall count –

(1) any MW only once; and

(2) the total MWs of overlapping capacity as a Flexible RA Capacity commitment.

**40.9.3.4 Treatment of Outages**

(a) **RA** **Substitute Capacity Not Required.** The RAAIM Availability Assessment for a Resource Adequacy Resource excludes the capacity, duration, and must-offer requirements for Resource Adequacy Capacity on an Outage during the Resource Adequacy month that does not require RA Substitution Capacity under Section 9.3.1.3.3.

(b) **RA** **Substitute Capacity Required and Provided.** For each Outage that requires RA Substitute Capacity under Section 40.9.3.6 to avoid imposition of RAAIM charges –

(1) the RAAIM Availability Assessment for the resource excludes the capacity, duration, and must-offer requirement for Resource Adequacy Capacity on outage to the extent the resource provides RA Substitute Capacity for that outage as required under Section 40.9.3.6; and

(2) the RAAIM Availability Assessment for the substitute resource includes the capacity, duration, and must-offer requirement for the RA Substitute Capacity commitment. For each day the substitute resource is committed to provide Flexible RA Capacity and/or RA Substitute Capacity in more than one Flexible Capacity Category, the RAAIM Availability Assessment applies the must-offer obligation for the highest quality Flexible Capacity Category to the total MWs of the flexible capacity requirement. For the purposes of this Section 40.9, base ramping resources (as defined in section 40.10.3.2) are considered to be a higher quality of Flexible Capacity Category than either peak ramping resources (as defined in section 40.10.3.3) or super-peak ramping resources (as defined in section 40.10.3.4). Additionally, peak ramping resources (as defined in section 40.10.3.3) are considered to be a higher quality of Flexible Capacity Category than super-peak ramping resources (as defined in section 40.10.3.4).

(c) **RA Substitute Capacity Required not Provided.**  For each Outage that requires RA Substitute Capacity under Section 40.9.3.6 to avoid imposition of RAAIM charges, the RAAIM Availability Assessment for the resource includes the capacity, duration, and must-offer requirement for Resource Adequacy Capacity on an outage to the extent the resource does not provide RA Substitute Capacity for the outage as required under Section 40.9.3.6.

(d) **Exclusions from RAAIM for certain Outage types.** The RAAIM Availability Assessment excludes the capacity, duration, and must-offer requirement for local and/or system Resource Adequacy Capacity or Flexible RA Capacity on a Forced Outage in a nature of work category relating to an administrative action by the resource owner, a cause outside of the control of the resource owner, or a short-term use limitation, as those categories are specified in the Business Practice Manual.

(e) **Derates on Generating Units Providing system RA Capacity and Listed Local RA Capacity.** If a Generating Unit providing both system RA Capacity and Listed Local RA Capacity is on Forced Outage, then for purposes of RAAIM and RA Substitute Capacity the quantity of the Forced Outage will be apportioned first to the system RA Capacity provided from that Generating Unit. If the quantity of the Forced Outage exceeds the quantity of system RA Capacity provided by the Generating Unit, then the remainder of the Forced Outage shall be apportioned to the Listed Local RA Capacity provided by the Generating Unit.

**\* \* \***

**40.9.3.6.8** **Treatment of Unbid Capacity.** If the Scheduling Coordinator for RA Substitute Capacity does not submit Bids or Self-Schedules for all or a portion of that capacity in accordance with Section 40.6 or 40.10.6, the CAISO –

(1) will treat the unbid capacity as unavailable for purposes of Section 40.9; and

(2) will reflect that unavailability in the RAAIM availability calculation for the Resource Adequacy Resource providing the RA Substitute Capacity.

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**- Non-Dispatchable Resource**

A resource that cannot be increased or curtailed at the direction of the CAISO in the Real-Time Dispatch to Supply or consume Energy, such as certain Qualifying Facilities.

**\* \* \***

**- Conditionally-Available Resource**

A resource that due to regulatory or operational limitations faces recurring and predictable periods of unavailability to the CAISO.

**\* \* \***