

CDWR-SWP's comments on Draft Tariff Language for Standard Capacity Product II

May 18, 2010

The California Department of Water Resources State Water Project (SWP) appreciates the opportunity to provide comments to the California Independent System Operator (CAISO) on its Draft Tariff Language on Standard Capacity Product (SCP) dated May 11, 2010. SWP respectfully submits following comments:

- 1) **Section 40.9.2 Exemptions:** As a reminder SWP would like to reiterate that exemptions should now apply to legacy contracts with non-resource specific resources since the SCP availability standard will be established for these resources in the same manner as for internal resources and resource specific imports. Extending exemptions to intermittent resource is justifiable.

- 2) **Section 40.9.4.2 Availability Calculation for a Resource Adequacy Resource:**
The proposed language states: “if the total actual amount of energy delivered by the resource is greater than or equal to the amount of Resource Adequacy Capacity designated in the Supply Plan, the resource will be considered one hundred percent (100%) available.”
SWP understands the intent of the language. However SWP suggests different term for total energy delivered. We should not equate energy with capacity unless that is for a single hour. So instead of “actual total amount of energy,” the tariff should use another term, “monthly SCP Capacity.” Monthly SCP Capacity is derived from the total actual energy delivered in the month during the SCP availability assessment hours divided by the total number of assessment hours in that month. Now this “monthly SCP capacity” should be compared with the monthly RA capacity in the Supply Plan for evaluation of its availability in percentage.