Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this template to provide your comments on the FRACMOO Phase 2 stakeholder initiative Revised Straw Proposal posted on May 1, 2017.

Submit comments to lnitiativeComments@CAISO.com

Comments are due May 22, 2017 by 5:00pm

The Revised Straw Proposal posted on May 1 and the presentation discussed during the May 8 stakeholder web conference may be found on the <u>FRACMOO</u> webpage.

Please provide your comments on the Revised Straw Proposal topics listed below and any additional comments you wish to provide using this template.

Proposal to modify eligibility criteria

1. Start-up time less than 4.5 hours

Comments:

The Six Cities support this modification as an interim measure but, as described below, urge the ISO to move forward in parallel to develop longer term enhancements.

2. Minimum run-time less than 4.5 hours

Comments:

The Six Cities support this modification as an interim measure but, as described below, urge the ISO to move forward in parallel to develop longer term enhancements.

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3. Category 3 flexible capacity resources must be available seven day per week **Comments:**

The Six Cities support this aspect of the revised Straw Proposal.

Future considerations

The ISO identified the following six objectives for long-term RA enhancements:

- 1) Provide for the efficient retention and retirement of resources needed to maintain reliable grid operations by aligning resource adequacy requirements with operational needs;
- Simplify RA procurement and showing processes through alignment with system and local capacity provisions;
- 3) Enhance requirements to more closely differentiate particular resource attributes of flexible capacity needed to maintain operational reliability and achieve state policies;
- 4) Align long-term planning and annual RA processes to ensure the long-term planning objectives and assumptions are properly reflected through RA procurement and vice versa;
- 5) Provide opportunities for internal and external resources to qualify to supply flexible capacity if they are able meet the specified requirements; and
- 6) Solutions should be scalable regardless of number of LSEs or size of LSEs

Please provide comments, as appropriate, on these objectives.

Comments:

Conceptually, the Six Cities support the objectives listed above.

Should additional objectives be added?

Comments:

The long-term RA enhancements should include sufficient stability and durability in eligibility criteria for Flexible RA capacity to support long-term resource commitments.

Other

Please provide and comments not addressed above, including any comments on process or scope of the FRACMOO2 initiative, here.

Comments:

The Revised Straw Proposal states that the proposed modifications to the Flexible RA eligibility criteria are intended to be interim in nature and effective only for a one or two year period. As noted above, the Six Cities support the ISO's proposed modifications as interim measures. But rather than proceed sequentially, the Cities urge the ISO to move forward with a parallel stakeholder initiative to develop carefully considered and durable long-term RA enhancements. Moving forward expeditiously to develop long-term enhancements and minimizing the duration of interim measures will benefit reliability and provide more timely guidance for resource procurement plans.